

## U.S. National Policy Response to Potential Mineral Shortages: Strategic Mineral Stockpiling

Leaving aside the overall adequacy of world mineral resources to meet world demands, each country that relies significantly on imports of mineral commodities must consider the implications of possible disruptions of those imports.

Not until after World War II was there widespread recognition among high-level U.S. government officials of U.S. vulnerability to loss of imported mineral supplies. The official response was the establishment of a peacetime stockpiling program and encouragement of more comprehensive mapping programs to identify and delineate domestic mineral deposits. Unfortunately, Congress failed to fund either of these programs fully. The need for such programs was again underscored in the early 1950s by events of the Cold War and Korean War: For example, the cutoff of tungsten from mainland China led to a critical shortage of that metal in the United States. Under President Eisenhower, high priority was again given to mineral resources as related to national security, and to stockpiling in particular.

However, after President Eisenhower's administration, stockpile purchases stopped. Under the next several administrations, both Democratic and Republican, there were major sales of stockpiled mineral materials, in part to reduce budget deficits, and in part to help keep prices down and reduce inflationary pressures. Events of the early 1970s combined to swing the pendulum back: The Arab oil embargo quadrupled the price of oil and tightened immediate availability; political/military disruption in Zaire doubled the price of cobalt; various other global events contributed to doubling of the prices of tin and zinc and to an increase of over 50 percent in the price of copper. National attention was once more forcibly focused on mineral resources.

A reexamination of the strategic importance of minerals led to the Strategic and Critical Minerals Stockpiling Revision Act of 1979, which provides for emergency

stockpiles of some ninety-three materials for national defense purposes, sufficient to sustain the United States for at least three years in case of national emergency. Over 80 percent of the identified strategic materials are mineral materials. The National Materials and Minerals Policy, Research, and Development Act of 1980 further directed the federal government to develop policies to strengthen the nation's position with respect to such materials. A variety of activities have been planned or undertaken as part of this program, including conducting inventories of federal lands to assess their mineral potential, collecting data on mineral supply and demand trends, encouraging private mineral research and development projects with wide application to materials and productivity problems, and resuming stockpiling once again. None of these activities, however, will instantly eliminate substantial U.S. dependence on mineral imports (indeed, stockpiling will require short-term increases in some imports), nor do most of these actions address the larger issue of the ultimate limits of mineral resource supplies.