Producers Group: You are a Chinese Supplier of Rare Earth Elements

Your Background and Biography

You were born in the mid-1970s when China was far from the economic superpower that it is today. While some of your peers emigrated to western countries, viewing them as the “land of opportunity,” you remained confident in China’s future and saw opportunity in rapid industrialization in an export-led economy with a powerful workforce. After obtaining an engineering degree at Tsinghua University, you first went to work for a small mining company. That company was soon merged into one of the six state-owned corporations that dominate the authorized production of rare earth metals in China.

Today, you work as a spokesperson for that large metals company. You speak to local people affected by your company’s operations. You talk to potential investors, helping them understand why they should invest their private money in a company owned and controlled by the Chinese government. You also talk with journalists to explain the company’s activities and goals.

There’s no denying that the way rare earth elements used to be produced was terribly destructive. Your company caused part of that destruction. China needed those metals to industrialize quickly, and sacrifices had to be made. But now the government wants to make sure water supplies are protected, and it is starting to clean up the places that have been damaged. Your company will be part of that progress too. You’ve adopted new practices to reduce the leaching of solvents into the groundwater and to better contain other wastes.

But these practices cost money, and the prices for rare earths are undercut by unauthorized black-market producers who do not follow the new environmental rules. While the government has been cracking down on the black market in rare earths, your company would benefit from other ways to raise the price of responsibly produced rare earth metals.

In negotiations you want a Sustainability Seal that aids in restricting illegal smuggling and illicit mining operations. You do not want to be required to change your current practices in ways that would increase production costs. You would like the Sustainability
Seal to recognize that the legal and licensed producers in China today release much less pollution than rare earth production released 25 years ago.

Your Mission

Your goal at this hearing is to convince the Stewardship Council to include the Producers Group’s recommendations in its final Sustainability Seal guiding values. To make this argument effectively, you must do the following:

- Complete the assigned readings listed at the bottom of this page.
- Work closely with the other members of your group to develop clear answers to the Stewardship Council’s questions.
- Use as much specific information as possible to develop strong arguments for your position that the price of sustainably certified rare earth metals needs to cover the true cost of production and environmental protection, and investment in innovative production methods should be promoted to reduce social and environmental harms.
- Read as much as you can about your position and the positions of the other groups.
- Complete written reflections on your character, interest group, and readings as assigned.

Your Victory Objectives

- You will receive 10 points if the Stewards select your group’s proposal as the final Sustainability Seal guiding values.
- The Stewards will rank the interest groups by how well their goals are represented in the final Sustainability Seal guiding values. You will receive between 1 and 4 points based on how the Producers Group is ranked and how well the Sustainability Seal guiding values reflect your goals.

Sources

Group Sources

- Producers Case Study: “The Changing Geography of Rare Earth Element Production”

Individual Sources