

The US Presidential Election: A Tight Race with Big Stakes for Clean Energy and Critical Minerals

written by Melissa (Mel) Sanderson | October 25, 2024

“The upcoming US election is not only a tight race but could have profound implications for the clean energy and critical minerals sectors, with vastly different paths depending on the party that wins. The outcome will shape policies on energy independence, decarbonization, and regulatory environments for years to come.” – Melissa ‘Mel’ Sanderson, Co-Chair, [Critical Minerals Institute \(CMI\)](#).

Well, I did it. I mailed my ballot last week and so for me personally, this election is over. But the closest – and arguably most consequential – US election in recent memory is far from over. The candidates are going to go to the wire in a virtual tie, with so-called battleground States like North Carolina, Georgia and Arizona likely to determine the outcome. Viewers around the world will be glued to televisions Nov 5th and 6th.

With a race this tight in an environment this polarized, the results are sure to be close. There won't be any huge margin of victory here, at least not if the polls are anything like accurate. A close election most certainly will be contested legally and, for the first time in US history, many are worried that there could be demonstrations in at least some cities. With a clear-cut victory unlikely, questions are being raised about procedure if there isn't a candidate to be sworn-in in January,

with attendant delays in filling key Cabinet positions, diplomatic postings, etc. A certain degree of disarray is possible, albeit not inevitable. But the mere fact that these things are being discussed is certainly a first in my experience.

This article isn't about Constitutional conundrums however, but rather something much more practical: the possible effects of the election on the clean energy agenda and the critical minerals sector which depends upon it.

Amid the key issues raised by the candidates, there has been little to nothing said about climate change, which is rather striking in itself, given the magnitude of the widely recognized problem and the (debatable) consequences already being observed in the form of massively damaging and costly storms, fires and heat waves in the US, especially in 2024. The silence, however, is actually not surprising.

A recent series of Pew Research Center surveys shows that only 12% of Republicans and Republican leaners say dealing with climate change should be a top priority for the President and Congress. In fact, climate change ranked at the bottom of the 20 issues on the Pew survey index. Fifty-nine percent of Democrats and Democrat leaners, on the other hand, rank it as a top priority, with 78% viewing climate change as a major threat to US security. Perhaps not surprisingly, therefore, Republican candidate/former President Trump has frequently referred to climate change as a "hoax" and "fake science." Democratic candidate/current VP Harris' relative silence seems surprising at first glance, given the support among party faithful – but her advisers probably have urged her that the best strategy is to keep focused on pocketbook issues like inflation and taxes.

Despite the polling numbers and popular perception, it is

important to remember that significant numbers of Republican Representatives have supported, and even introduced, climate change legislation. The Inflation Reduction Act (IRA) could not have been passed without support from Republicans (albeit that the majority still did oppose that Bill). Energy independence, and independence from China's hegemonistic position in the critical minerals space, has spurred Republican actions until now, but it is far from clear that this support would continue if Trump wins the election.

The Republican Party platform is quite clear, for instance, in calling for the IRA to be rescinded and unspent monies to be reallocated. The priority, per the vision document, should be on greatly increasing oil and gas production, withdrawing incentives for electric or hybrid vehicles and slowing deployment of wind turbines and hydropower in favor of increased nuclear and gas powered energy generation. (Ironically, oil production rose during the Biden Administration as well.) While these policies would benefit one element of the critical minerals space (the nuclear energy industry), other critical minerals would-be producers more closely tied to alternative energy and electric vehicles could face additional headwinds to project development.

The Democratic Party platform, in contrast, envisions IRA 2, expanding the scope and rate of decarbonization measures across the economy while 'tapering off' new oil projects in favor of 'green hydrogen' and other alternative fuels.

It's worth mentioning that in the realm of unintended consequences, critical minerals mining projects could indirectly benefit if a Republic Administration proceeded with its vision of abolishing or sharply diminishing certain government functions such as the Environmental Protection Agency (EPA), Bureau of Land Management (BLM) etc., effectively sharply

reducing the regulatory time and burden needed to bring new projects on-line. Likewise, should a Harris Administration heed the advice of many advisors and implement more fully the authorities embedded in the Defense Production Act, new mines could find themselves in a less burdensome environment with the added advantage of possible new and expanded government funding available.

As always, election campaigns produce many visions, promises and pledges, most of which seem never to be realized, so it is impossible to say with any certainty what really could happen over the next couple of years. That said, based only on the policies outlined in the two party platforms, and taking into account China's market dominance, a Democratic Administration might (ironically) prove the better choice for the fledgling critical minerals segment of the mining industry.

It's certainly a neck-and-neck horse race down the stretch, so let's see what happens in two weeks.