

Trump Turns Critical Minerals Policy Into a Game of Dodge Ball

written by Tracy Hughes | July 3, 2025

WASHINGTON – For an administration that calls Chinese dominance of critical minerals an “acute threat,” the past month has been a master class in mixed signals. On July 2, President Donald Trump sent a budget to Capitol Hill that would [eliminate](#) the Inflation Reduction Act’s 10% production credit for lithium, nickel, cobalt, and magnesium—an incentive many executives saw as the financial flywheel for the nation’s fledgling mining sector.

The timing could hardly be worse. Lithium hydroxide is [trading](#) at barely one-tenth of its 2022 high, nickel remains mired in a supply-driven slump, and financiers already skittish about multi-billion-dollar, decade-long projects are watching margins evaporate. Removing a predictable tax offset, analysts warn, risks freezing the modest trickle of capital just as developers break ground on domestic mines and refineries.

Yet two days earlier the White House struck a very different tone. A June 30 presidential [memorandum](#) ordered agencies to share deal-flow with a new National Energy Dominance Council and promised a single, streamlined “common application” for federal funding of energy and critical-mineral projects—an effort, the document says, to “make faster, better funding decisions.” The result is a policy palette that speeds permitting while erasing the long-term tax certainty investors crave.

Abroad, the month was no less contradictory. On June 27, Treasury Secretary Scott Bessent [declared](#), “I am confident now ...

the magnets will flow,” after Washington and Beijing patched up an export-licence spat that had throttled rare-earth shipments. The face-saving deal underscored how deeply U.S. supply chains still depend on China even as the White House insists on self-reliance.

Hours later, Trump stood beside African diplomats and boasted that a U.S.-brokered peace [accord](#) between Rwanda and the Democratic Republic of Congo would secure “a lot of the mineral rights from the Congo.” Critics from Nobel laureate Denis Mukwege to Congolese civil-society groups blasted the agreement as an opaque giveaway that “legitimises the plundering of Congolese natural resources.”

At home, the president moved to [reopen](#) Minnesota’s Boundary Waters region to Antofagasta’s long-stalled Twin Metals copper-nickel project, reversing a 20-year mineral withdrawal imposed in 2022. Supporters heralded a “lifeline,” while Senator Tina Smith called the science “pseudoscience” and vowed to sue.

Congress, meanwhile, filled the vacuum. During a June 24 House Small Business Committee hearing titled “Securing America’s Mineral Future,” executives [warned](#) that without stockpiles and market “footholds” domestic producers will again be “driven into bankruptcy” by Chinese oversupply—just as Mountain Pass was a decade ago.

Taken together, the last 30 days reveal a White House chasing three diverging instincts: fiscal austerity, deregulatory speed and geopolitical deal-making. The budget disincentivises investment; the memorandum tries to unlock it; foreign-policy gestures import Chinese and Congolese material that domestic miners say they could supply—so the industry should brace for a game of business dodge-ball. Step into the arena, make your announcements before **August 30**, and remember: this

administration uses social media as its research department on critical minerals.