

Gold by Montresor

Along the trading routes

Of Turks, Iranians, Italians, Viennese, and some remarkable East bloc operatives.

Impeccable sources in the Paris gold-trading community report some startling features of the past few years' international gold flows, which reveal as much about the actual controlling forces of the international economy as about the gold trade itself. Private citizens in Turkey are now dumping on the world market the up to 90 tons of gold acquired in a short period until three or four years ago. In the context of the Organization of Economic Cooperation and Development-led destructive austerity policies for the Turkish economy last year, the International Monetary Fund was able to insist that, as a precondition for any loan, banks should not scrutinize any cash deposits likely to come from the so-called "black economy" too closely. The more recent military coup d'état has put financial control of Turkey in the hands of brutal monetarist henchmen like Turgut Ozal, Deputy Prime Minister. The age-old tradition of the ruling Greek Phanariot princelings and the Ladino bankers is back in force in Stamboul.

Private Iranian citizens are also liquidating the vast private gold hoards accumulated under the Shah. It would be enlightening to know the names of the families presently controlling usury at state level in Teheran, and it would not be surprising to find that some are as old as the hidden Imam himself.

What makes these situations a

profound comment on the state of the world is that my Paris source added that the gold is retailed to the world market *by way of Bulgaria*—upwards of 100 tons of gold has this year alone been officially or unofficially shipped through the old Slavic kingdom. Byzantine Bulgaria, later Ottoman Bulgaria, was subject to the rule of both the Phanariot and the Ladino financiers, who ran the Sultan's finances as well as his administration and foreign service.

The famous French investment bank Paribas, the Banque de Paris et des Pays-Bas, was established in 1872 at the initiative of a Ladino family of "Royal Sephardic" Portuguese Jews, the De Camondos. They were among the Portuguese kings' premier financiers before the Inquisition in 1492. After a half century in Venice, the family was dispatched to Stamboul. There the De Camondos were for more than three centuries prime financiers of the Sultans. In the middle of the 19th century, a young De Camondo inherited from his father a fabulous (1840 equivalent) \$30 million, which explains the family nickname "The Rothschilds of the East."

More of the picture can be put together from the gold routes. Libya, the same Paris source indicates, has bought up to 90 tons of gold this year, part in the form of ingots for central banks' use, part in the form of jewelry. Wrought gold is very easy to smuggle, and is often

used as means of purchasing illegal drugs and weapons, in particular in the Near and Middle East. Much of this jewelry is wrought in Florentine workshops, under the aegis of the Monte dei Paschi bank, which then has it shipped especially to Syria and Dubai. These seem to be the major transshipment points for the sale, resale and smuggling operations, in particular into the Soviet Union, where gold jewelry is a much more convenient source of value than, say, Exxon or IBM preferred stock.

Libya, an old Italian colony, is today a main ground for collaboration between secret entities of East and West, both of which obviously see fit to accumulate as much gold as possible. As far as the East is concerned, I refer to the recent 24-hour decision taken by the Budapest authorities to join the IMF. Hungary's central bank figurehead Janos Fekete, also a fixture of Basel BIS meetings, has not given one major speech in the last five years without stressing the urgency of returning to some form of a gold standard. Now, the forint will gradually be made convertible. At the Hungarian national bank before 1945 Fekete wore the livery of the local subsidiary of the Rothschild bank.

Fekete is a prominent member of the Siena Group, along with Robert Triffin, who sees our monetary future in gold-mediated "regional currency blocs," and Art Laffer's mentor Robert Mundell, whose gold proposals, directly inspired by BIS ex-head Jelle Zijlstra, are currently being discussed by an unsuspecting President's special Gold Commission. Old, old geopolitics, gold-plated, shine through the modernized liveries.