

one to understand how the British Commonwealth plan for domination of Ibero-America is unfolding.

**Anglo American:** The world's largest raw material firm, based in Johannesburg, South Africa, is key in the raw materials cartel. Through the cross-ownership of shares, Anglo American is one entity with DeBeers Diamonds and the Luxembourg-based Minorco minerals, all owned and controlled by the immensely rich Oppenheimer family (two Anglo American subsidiaries, ARH and Amgold, own 45.6% of Minorco's shares, and DeBeers owns another 23% of Minorco's shares). DeBeers Consolidated and DeBeers Centenary, the two Oppenheimer-owned DeBeers diamond companies, control the Central Selling Organization, which in turn controls 80% of the world's diamond market. The Anglo American/DeBeers/Minorco combine is the world's single biggest producer of gold, platinum, diamonds, palladium, antimony, tungsten, and vanadium.

Harry Oppenheimer, the Cambridge-educated patriarch of Anglo American, is part of the oligarchy's 1001 Club, which operates under the aegis of the World Wide Fund for Nature of Britain's Prince Philip, the flagship of environmentalism and anti-industrial strategies globally.

**Rio Tinto** (formerly Rio Tinto Zinc): The world's second largest raw material firm, Rio Tinto is headquartered in London. Rio Tinto Zinc was formed in the 1870s by China opium-trader Hugh Matheson, a principal in the Hongkong-based Jardine Matheson, who pushed to expand the British Empire. According to published reports, today, Queen Elizabeth II owns a significant share of Rio Tinto stock.

The immense power of Anglo American and Rio Tinto taken together is shown in **Table 3**, which shows their share of the Western world's raw materials production. There are 16 commodities, in which Anglo American and Rio Tinto

combined have 10% or more of the Western world's output, and of these, there are 9 in which they control 20% or more of Western world output.

**Barrick Gold**, based in Toronto, is as much a political as an economic power. Sir George Bush helps direct this company, from his position, created in 1995, as honorary senior member of Barrick's international advisory board. While he was vice president of the United States (1981-89), Bush worked inside the U.S. government to manage London-directed illegal weapons- and drug-running operations. Financier Adnan Khashoggi, who underwrote Bush's Contra operations, formed Barrick in 1981. Peter Munk, who was a protégé of the British royal household, eventually became chairman of Barrick. Through guidance by the oligarchy and Harriman-Bush networks, Barrick leapt from out of nowhere to become the second-largest gold producer in the world. In 1996, Barrick muscled in to obtain a concession to mine gold at the Kilomoto and Doko mines in Haut-Zaïre, Zaïre's northeast province. In return, it helped bring to power genocidal dictator Laurent Kabila.

## Mining laws favor raw materials grab

Since the early 1990s, most Ibero-American governments have enacted legislation which facilitates the looting of natural resources by London's raw materials cartels. Earlier legislation which protected ownership and exploitation of these resources, in most cases by the state, was scrapped in favor of laws which, at the very least, put foreign mining and energy firms on an equal footing with national companies, offering all manner of tax breaks, as well as advantages for profit repatriation.

The leader was, no surprise, **Chile**, whose 1973 "revolution" made it the guinea pig for the Mont Pelerin Society's nation-wrecking economic policies. Mining legislation enacted in 1978 began the process, specifically offering protection for the property rights of foreign companies which discovered or purchased mining deposits. This was the signal for such companies as Anglo American, Rio Tinto (formerly Rio Tinto Zinc), and Barrick Gold, to move aggressively into its rich copper belt.

But some countries, such as **Peru**, have sought to "out-Chile" Chile: Legislation enacted in June 1992, according to the deputy mines and energy minister, was intended to "give Peru a competitive edge over our nearest neighbor, Chile." It established that companies would only pay taxes on profits rather than on total sales; it guaranteed tax stability for ten years — i.e., the government would offer contractual promises that foreign corporations wouldn't have to

TABLE 3

**Anglo-American and Rio Tinto combined share of Western world mining production**  
(percent of total)

Commodity	Share	Commodity	Share
Antimony	20%	Nickel	8%
Bauxite	10	Niobium	8
Chromite	15	Palladium	39
Cobalt	10	Platinum	45
Copper	12	Rhodium	41
Diamond	48	Silver	6
Gold	25	Titanium	31
Iron ore	10	Tungsten	18
Lead	7	Uranium	8
Lithium	5	Vanadium	36
Manganese	6	Zinc	6
Molybdenum	11	Zirconium	23

**Newmont Mining**, based in Denver, Colorado, is an example of a firm that is based in America, but is decidedly British. The company is controlled by British asset George Soros and his friends (see *EIR* Special Report, “Never Again! London’s Genocide against Africans”). Newmont was founded in 1921 by J.P. Morgan banker William Boyce Thompson. In 1989, Hanson Plc, a large British takeover conglomerate, bought Newmont. In 1991, Hanson sold 49.97% of Newmont to British financier, the late Sir Jimmy Goldsmith. In 1993, Goldsmith sold 14% of Newmont to Soros. According to Newmont’s records, today, Soros owns 7.88% of Newmont; the estate of James Goldsmith owns between 2 and 3%; and Lord Jacob Rothschild owns 2%. Fidelity Mutual Fund, which represents the Boston Brahmin drug interests, owns another 10.22%.

The tentacles of this octopus reach everywhere: **Table 4** shows their stake in Ibero-America, by project (including exploration) and commodity. Anglo American owns and operates 14 projects in 7 countries; Rio Tinto owns and operates 12 projects in 8 countries; Barrick Gold has 16

projects in 7 countries: Newmont Mining runs projects in 5 countries.

But beyond the sheer number, several of these projects are pivotal in controlling the minerals of the nations of Ibero-America:

- Anglo American owns two key mining projects in Brazil: a 50% stake in the Solobo deposit in Carajás, Brazil, which has an enormous 1.2 billion tons of reserves of copper, gold, molybdenum, and silver; and also a 31.5% stake in a columbium-producing mine in Goiás state.

- Rio Tinto owns 33% of the Cía Minera del Sur, S.A. (Comsur) in Bolivia, a huge mining concern which produces 80% of Bolivia’s lead, 65% of its zinc, and 37% of its silver. Comsur is the company of the family of Gonzalo Sánchez de Lozada, President of Bolivia from 1991 until Aug. 5, 1997. While President, Sánchez de Lozada has further opened up Bolivia to the raw materials cartel.

- Newmont Mining bought, in 1996, a 51% ownership stake in the Yanacocha mine in Peru, the continent’s largest gold mine, producing nearly 1 million ounces of gold per year.

pay any new taxes imposed by some later government. A tax “drawback” system allowed recovery of taxes paid to the Peruvian state by exporters, the minimum area for a mining concession was reduced, and joint ventures were allowed in all areas of mining.

The pattern has been the same around the continent.

In **Bolivia**, note the role of President Gonzalo Sánchez de Lozada, who for years was Rio Tinto’s representative in the country. Before leaving office, he forced through a new mining code in early 1997, described by foreign mining sources as the continent’s “most progressive.” It offers a single procedure which covers all prospecting, exploration, and mining production activities, granting concession holders full property rights. Sánchez de Lozada, a member of the Inter-American Dialogue, also opened up bidding on portions of the state-run Comibol mining firm, which will effectively privatize its tin and antimony smelting company, Empresa Metalúrgica Vinto, the world’s fourth largest.

The British-loving President of **Brazil**, Fernando Henrique Cardoso, wasn’t far behind. In 1995, he was able to ram constitutional amendments through Congress which allowed both domestic and foreign private sector companies to invest in the mining, petroleum exploration, natural gas distribution — among other sectors — via privatization, joint ventures, and deregulation. According to studies by the U.S. Geological Survey, foreign firms could now own 100% of any company or property, including those previously owned by the Brazilian state. Moreover, the provisions of Federal Law No. 9249 established that, as of Jan. 1, 1996, there would be no taxes for repatriation of

profits. In addition, even though this latter tax was eliminated, a foreign mining company can still apply the *old* 25% tax on profit repatriation against a 35% income tax, reducing the latter to 10%. So, the foreign firm pays no tax on profit repatriation and only 10% income tax. These provisions are what have London’s raw materials cartels salivating over the Brazilian riches to be stolen.

In **Argentina**, several liberal mining laws and decrees were enacted between July 1993 and November 1995. “Tax stability” is a key feature of these, guaranteeing that tax levels prevailing when a mining feasibility study is prepared, will remain in force for 30 years! Another provision allows mining operators advance rebates on their goods and services tax payments.

In 1989, there were only four foreign mining firms operating in Argentina. By 1995, some 62 foreign companies had established operations in the country, 42 of them from Commonwealth nations. Today there are 70 foreign companies engaged in minerals exploration, covering an area of 18.4 million hectares. Eighty percent of this area is located in the Andean mountain range, which Argentina shares with Chile. These two governments are about to sign a Mining Integration treaty, which will grant extraordinary concessions to foreign mining companies wishing to exploit resources on both sides of the border.

Provisions of protocols signed in January 1997, in advance of the anticipated Mining Integration law, have already allowed Barrick Gold to begin setting up a no-man’s land straddling the border in this strategic area. As the laws are now written, the only real government in these regions will be Barrick. — *Cynthia Rush*