

## Gold by Montresor

### Oppenheimer dealing with the Russians?

*Strategic rather than market considerations may be behind reports of South African-Soviet gold talks.*

**M**r. David Marsh of the London *Financial Times* attempts to defend his earlier reports that representatives of the South African Oppenheimer interests are in frequent contact with the Soviets by citing names, dates, and places of such trips to Moscow in an April 1 feature. Marsh was compared to Nazi propagandist Josef Goebbels in a savage attack in *Izvestia* last Nov. 30. His crime was to recirculate a report first published by *EIR* last July 22.

We wrote at the time that sources at Consolidated Goldfields of South Africa (Oppenheimer interests) had told us, "If ConsGold is going to Moscow, it is probably correct to conclude that they are discussing the coordination of gold sales." That seemingly innocuous report drew hysteria from Moscow as well as Johannesburg.

Marsh is now reporting that ConsGold executive director Michael Beckett and two executives visited the Soviet Foreign Trade Bank last September. Following this, Gordon Waddell, a director of Anglo-American Corporation, visited Moscow in November.

ConsGold sources told the London journalist that their Soviet relationship "could eventually broaden out to exchanges of view on mining techniques and metallurgy. This could include some kind of joint mining venture."

Apparently much more than gold is involved. Gold market ana-

lyst Thomas Wolfe told me, "South African officials say Marsh's charges about Soviet-South African collusion were a bit overdone, but there's no denying that Oppenheimer and the Soviets are both quite interested in how the strategic minerals markets develop. Anglo-American, like all the major gold producers, are already major minerals producers. Furthermore, all the gold producers, led by Oppenheimer, are now diversifying out of gold and going deeper into strategic minerals."

*EIR* said April 7 that the mining companies concerned are attempting to swindle the U.S. through a manufactured scare over so-called strategic materials.

A British friend with excellent contacts in both the Oppenheimer family and the U.K. defense ministry explained it this way: "You can certainly make a case that Oppenheimer is collaborating with the Soviets on strategic minerals. It would increase their clout in dealing with the United States tremendously to have this kind of monopoly over world resources. They have a common interest with the Soviets in increasing their clout."

Would Interior Secretary Watt attempt to stop the Oppenheimer interests from increasing their U.S. holdings, which they appear eager to do? "Watt is not important," my British friend said. "He's only going to be there for four years. Oppenheimer is out for the very

long view. If he's selling three or four strategic minerals that the U.S. needs, he's strengthened. His policy is to control the markets."

*Note from the Economics Editor:* To Montresor's analysis it should be added that if Secretary Watt's policy of fostering American mining, including opening of federal lands to exploration and development of related internal improvements, is realized, there will be no shortage. Ahead of minerals development are development of skilled labor and cheap nuclear energy, without which the U.S. will not even be able to use the mineral resources it has already developed.

The actual content of the strategic materials debate—and perhaps also of the Oppenheimer-Soviet connection—is political. There have been discussions between an American faction represented by the Action for World Development committee, and that Soviet faction represented by the Russians' U.S.A.-Canada Institute, on this topic, as *EIR* revealed last week. Relevant names include Gen. Maxwell Taylor and Georgii Arbatov.

They both argue that the Soviets should allow Secretary Haig et al. to pursue a policy of regional wars and depopulation in the Third World unimpeded, letting the U.S. chase resources it could just as well develop at home. The Russians, so the argument goes, have all the metals they need at home.

Neither the American supporters of this program, which we refer to as the Carter administration Global 2000 proposal, nor the Russians who believe this to be in their interest, are in power. But the Oppenheimer connection may be a sounding for this strategic deal behind the scenes.