

# Is there any gold inside Fort Knox, the world's most secure vault?

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It is said to be the most impregnable vault on Earth: built out of granite, sealed behind a 22-tonne door, located on a US military base and watched over day and night by army units with tanks, heavy artillery and Apache helicopter gunships at their disposal.

Since its construction in 1937 the treasures locked inside Fort Knox have included the US Declaration of Independence, the Gettysburg Address, three volumes of the Gutenberg Bible and Magna Carta.

For several prominent investors and at least one senior US congressman it is not the security of the facility in Kentucky that is a cause of concern: it is the matter of how much gold remains stored there - and who owns it.

They are worried that no independent auditors appear to have had access to the reported \$137 billion (£96 billion) stockpile of brick-shaped gold bars in Fort Knox since the era of President Eisenhower. After the risky trading activities at supposedly safe institutions such as AIG they want to be reassured that the gold reserves are still the exclusive property of the US and have not been used to fund risky transactions.

In other words, they want to be certain that the bullion has not been rendered as valueless as if a real-life Goldfinger had stolen it.

"It has been several decades since the gold in Fort Knox was independently audited or properly accounted for," said Ron Paul, the Texas Congressman and former Republican presidential candidate, in an e-mail interview with The Times. "The American people deserve to know the truth."

Mr Paul has so far attracted 21 co-sponsors for a Bill to conduct an independent audit of the Federal Reserve System - including its claims to Fort Knox gold -

but an organisation named the Gold Anti-Trust Action Committee (GATA) is taking a different approach.

It has hired the Virginia law firm William J. Olson, PC, to test President Obama's promise to bring "an unprecedented level of openness" to the Government and next month it will file several Freedom of Information requests for a full disclosure of US gold ownership and trading activities.

"We're taking the President at his word," said Chris Powell, of GATA. "If you go online you can find out how to build a nuclear weapon but you won't find any detailed records on central gold reserves."

A month after President Nixon resigned over the Watergate affair Congress demanded to inspect the contents of Fort Knox but the trip to Kentucky was dismissed by critics as a photo opportunity. Three years earlier Mr Nixon brought an end to the gold standard when France and Switzerland demanded to redeem their dollar holdings for gold amid the soaring cost of the Vietnam War.

Many gold investors suspect that the US has periodically attempted to flood the market with Fort Knox gold to keep prices low and the dollar high - perhaps through international swap agreements with other central banks - but facts remain scarce and the US Treasury denies that any such meddling has gone on for at least the past decade.

Pressure for more openness is mounting after the collapse of the global banking system and renewed interest in a return to the simpler era of the gold standard - a subject that is likely to be raised at the G20 summit next week. China and Russia are calling for the creation of a new world reserve currency amid fears that the Federal Reserve's quantitative easing policy - essentially printing money - might cause hyperinflation, then collapse.

A spokesman for the US Treasury told The Times that US gold holdings are audited every year by the Department of Treasury's Office of Inspector General. He confirmed that although independent auditors oversee the process they are not given access to the Fort Knox vault.

The website of the US Mint says that the 147.3 million troy ounces of gold in Fort Knox "is held as an asset of the US". It does not elaborate.