

Gold and Geopolitics: US has Largest Gold Reserves, China is World's Largest Producer of Gold

By [Prof Michel Chossudovsky](#)

Theme: [Global Economy](#)

Global Research, January 23, 2013

Global Research 23 April 2011

Both the US dollar and the Euro currency systems are in crisis. During a period of waning currencies, where the value of money (in paper and/or electronic form) is tumbling, the strategic control over gold reserves and gold production is of paramount importance.

The issue is not only who controls the stock of central bank gold reserves, but who, namely which countries, control the production of mine gold.

While the US has the largest official gold reserves, China has become the World's largest producer of mine gold.

The main players with regard to mine gold are China, Australia, Russia, South Africa, the US and Canada.

Anglo-American corporate interests exert a dominant control over mine gold. The World's largest gold mining companies are Barrick Gold (Canada), GoldCorp Inc. (Canada), Newmont Mining, (USA).

Below are the official country level central bank holdings of gold (scroll down) as well as estimates of mine production of gold by major gold producing countries.

The figures on gold holdings pertain to central bank holdings. They do not include private holdings of gold by individuals and financial institutions.

The official central bank figures cannot be verified, nor can the total amount of gold derivatives transacted in financial markets. There is no reliable data on private gold holdings, which have developed over several centuries.

With regard to official US gold holdings at Fort Knox, there has been no independent audit of official holdings. According to Rep. Ron Paul: "Our Federal Reserve admits to nothing, and they should prove all the gold is there. There is a reason to be suspicious, and even if you are not suspicious, why wouldn't you have an audit?" ([Ron Paul calls for audit of US Gold Reserves](#), quoted in The New American, August 30, 2010).

"The last and only time that an audit was performed on the gold held in Fort Knox was issued within hours of President Dwight Eisenhower's inauguration on January 20, 1953." (New American, op.cit. emphasis added)

Physical gold holdings constitute a crucial geopolitical variable in the confrontation between competing economic powers. They are also central to an understanding of the debt crisis.

Both Russia and China have significantly increased their gold holdings in recent years. Large amounts of US dollar denominated debt instruments have been converted into gold.

The official figures for China are based on released data by the People's Bank of China. There is reason to believe that only part of the official purchases are made public, to the extent that the People's Bank of China reserves may be much higher than those recorded in official statistics. Conversely, there is reason to believe that US holdings at Fort Knox may be significantly lower than what is conveyed in official figures.

"China is on a gold buying spree these days. The Chinese central bank-the People's Bank of China-is taking a series of steps to increase its gold reserves to ensure that the precious yellow metal replaces forex reserves held in the US dollar. In the last few months, there have been talks of China following India in buying gold reserves from the International Monetary Fund (IMF). So when IMF announced that it would be selling its remaining 191 tonnes of gold in the open market, several bullion analysts predicted that China would somehow jump into the fray and buy IMF gold. Both China and India are competing in the global bullion markets to be the largest consumers and importers of gold." (See ibtimes.com).

Both China and Russia are major producers of gold. Of geopolitical significance, China is the World's largest producer of physical gold.



According to 2009 figures, China is the World's largest gold producer; 313.98 metric tons, representing 11.8 percent of global gold production.

1. China: [313.98 mt](#)
2. Australia: [227.00 mt](#)
3. United States: [216.00 mt](#)
4. South Africa: [204.92 mt](#)
5. Russia: [205.00 mt](#)
6. Peru: 180mt (estimate)
7. Indonesia: [90.00 mt](#)
8. Canada: 95.00 mt (estimate)
9. Ghana [90.20 mt](#)
10. Uzbekistan 80mt (estimate)

Other: 854mt

TOTAL: 2572mt

<http://www.goldsheetlinks.com/production.htm>



SOURCE:

www.thegoldstandardnow.org

[View PDF File](#)

OFFICIAL GOLD HOLDINGS BY COUNTRY IN METRIC TONS (2011)

Country
Tonnes

1.
United States
8,133.5

2.
Germany
3,401.8

3.
IMF
2,827.2

4.
Italy
2,451.8

5.
France
2,435.4

6.
China
1,054.1

7.
Switzerland
1,040.1

8.
Russia
784.1

9.
Japan
765.2

10.
Netherlands
612.5

11.
India
557.7

12.
ECB
501.4

* A tonne, also referred to as a metric ton, has a unit of mass equal to 1,000 kg

Statistics acquired from: ["World Official Gold Holdings."](#) World Gold Council.
World Gold Council, Jan 2011. Web. 1 Feb 2011.



[The Global Economic Crisis: The Great Depression of the XXI Century](#)

Michel Chossudovsky and Andrew Gavin Marshall, Editors

\$16.00

Save 38%

The original source of this article is Global Research
Copyright © [Prof Michel Chossudovsky](#), Global Research, 2013

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Prof Michel Chossudovsky](#)

About the author:

Michel Chossudovsky is an award-winning author, Professor of Economics (emeritus) at the University of Ottawa, Founder and Director of the Centre for Research on Globalization (CRG), Montreal, Editor of Global Research. He has taught as visiting professor in Western Europe, Southeast Asia, the Pacific and Latin America. He has served as economic adviser to governments of developing countries and has acted as a consultant for several international organizations. He is the author of 13 books. He is a contributor to the Encyclopaedia Britannica. His writings have been published in more than twenty languages. In 2014, he was awarded the Gold Medal for Merit of the Republic of Serbia for his writings on NATO's war of aggression against Yugoslavia. He can be reached at crgeditor@yahoo.com

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in

print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca