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'Deep in the earth a shining substance:' sequestration and display in gold mining and central banks

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ABSTRACT
In this essay, I consider the ways in which gold acts and is perceived as a reserve in the El Cubo mine in Guanajuato, Mexico, and in some European central banks. Following Gustav Peebles' essay 'Rehabilitating the Hoard' (2014), I consider the ways in which gold's movement from mine to vault helps to express a dialectic of sequestration and display that enables its operation as hoard, providing for struggles over sovereignty, stewardship, and the global transfer of value from South to North.

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A quotation generally attributed to the billionaire investor Warren Buffett runs thus:

> Warren Buffett, the renowned investor, famously dismissed gold in a speech given at Harvard in 1998. He said: 'It gets dug out of the ground in Africa, or some place. Then we melt it down, dig another hole, bury it again and pay people to stand around guarding it. It has no utility. Anyone watching from Mars would be scratching their head.'[1]

It turns out this idea, complete with perplexed extraterrestrial, was first recounted in the Galveston Times in 1877:

> Look at the actual history of our metallic money; see at what great cost we procure it from its ores, coin it, pass it from hand to hand, finally to bury it again in the vault of some bank. The dust of centuries rests upon coin laid away in the Bank of England … .If a being from another world should come among us to study our habits, how he would be puzzled as he saw us with infinite labor obtain from deep in the earth a shining substance, zealously guard it to an establishment where it was cut into small pieces, and then hide the pieces where they could be neither seen nor touched [2]

Indeed, a surprisingly large amount of the world's gold is dug up only to be reburied, or more precisely, sequestered in bank vaults. And you might think, given the end of the gold standard and later dollar-gold convertibility, that these travels of gold from underground to underground would subside to a trickle. Yet, even though gold is much less important than it used to be, more and more of it is taken out of the ground. Furthermore, much of that gold is still sequestered away in vaults, even though gold no longer functions as a reserve currency. Half of the gold ever mined has been mined since 1970. And at the end of 2018, approximately 38% of that gold was in central bank, commercial and private vaults.[3,4] Why, as gold becomes less useful as a feature of the world financial system, which one might presume to be the reason to maintain large reserves, is such a large percentage of its above-ground stocks still sequestered away? And why is so much effort and expense put to its production into bars and other forms that are frequently intended not to be used?

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One immediate, even obvious answer to this puzzle lies in gold's historically – constituted cultural force in the history of banking and value, and particularly in the still-operative idea of gold as 'intrinsic value,' from which derives what financial experts call its lack of 'counterparty risk.' That is, it is not issued by a bank, government or other counterparty and does not constitute a 'promise to pay.' Instead it holds a perceived 'intrinsic value.' That intrinsic value may be recognized as conventional and not natural; as long as it is generally recognized, gold will be reliably accepted at its established global price. This makes it into a powerful insurance against catastrophe (and indeed, as I wrote this sentence on August 8, 2020, with nearly 20 million reported world coronavirus cases, gold had hit a historical (nominal) high above $2000/oz[5], though it went down somewhat in later weeks).

This article pushes this observation a bit farther to inquire on how that intrinsic value is created and made relevant and powerful to those who prize gold. I analyze the movement from mine to vault as a transnational (not necessarily universal) cultural performance of gold's intrinsic value through a dialectic movement of secrecy and display, which is the subject of this essay. In other works, a crucial part of gold's culturally constituted force is that in order for its power to be realized (in both senses of the term), it must operate as a known secret, both hidden and revealed.

Understanding gold's performance as valuable through its oscillation between sequestration and display tells us something about its ongoing relevance even in a post-gold standard world. It also builds on understandings of value elaborated in Gustav Peebles' (2014) discussion of 'the collectivized hoard' as a basis of wealth and credit, and on David Graeber's notion (1996) of visible and invisible forms of wealth.

In this essay, I consider the ways in which gold acts and is perceived as a reserve in the El Cubo mine in Guanajuato, Mexico, and in some European central banks.[6] I argue that gold's movement from mine to vault helps to express a dialectic of sequestration and display that enables its operation as hoard (Peebles 2014). I pay particular attention to the ways in which its intrinsic value is performed at points of entry and exit, in part through material qualities of brightness and color on the one hand and emptiness and darkness on the other.

The final part of the essay focuses on the activities of people around mines and vaults, and on different kinds of bodies that are in action or are implicated in the movement from mines to vaults. These bodies are differently empowered in relation to each other; they are centrally featured in these processes of conversion, as in the case of European vaults, or, in the mines in Mexico, branded as thieves or compelled to haunt the hills as ghosts and witches. Through analysis of the presence and actions of these humans, as bodies, I begin to address the national and racial politics of 'digging up and reburying' gold, to use Warren Buffet's loose phrasing.

This article, then, makes a four-part argument: (1) that gold reserves in mines and vaults can be usefully looked at in tandem, though their mobilization as collectivized hoards; (2) that gold's claim as intrinsically valuable must be performed through an oscillation of sequestration and display; (3) that this performance occurs at the exits from and entries into mines and vaults, through qualia of shininess, brightness, darkness, hiddenness; (4) that the national and racial politics of these hoards – to whom do they belong and who belongs to them, play out in the bodies of those who participate in these qualic performances.

Golden hoards

Gustav Peebles' 2014 essay 'Rehabilitating the Hoard: the Social Dynamics of Unbanking in Africa and Beyond' argues, influentially, that the billions of 'unbanked' people in the world today may be acting in quite reasonable ways that mirror typical banking procedures, by choosing to remain as stewards of their own reserves or 'collectivized hoards.' He thus argues against a negative portrayal of hoards as irrational and antisocial, pointing out that '[T]oday, the world's vastest hoards go by the name of "reserves", which makes them appear much more rational and sound' (598). Peebles, relying on Marx, defines hoards as reserves of 'dead capital' (liquid wealth that is not intended to circulate as either investment or currency). However, he notes that even when such reserves are hidden, there usually project an

> aura of power … that allows for the credit of its stewards to circulate … .because they represent a reserve sum of money that can unleashed in the event of calamitous circumstances, just as any economist would describe the grounding logic of fractional banking. (599)

To help him make this argument, Peebles takes up Annette Weiner's famous discussion of 'the paradox of keeping-while-giving' (1992). He intervenes in the plentiful literature commenting on Weiner's work to point out this same paradox operates within all levels of banking:

> The irony is that all Weiner was discovering in her theory of 'keeping-while-giving' was the general system of banking, practiced every day, whether by the citizenry of America, by the ancient usurers of India indicted by the Code of Manu, or by the European Central Bank. Long ago and in countless locales, these bankers have perfected the supposedly arcane art of 'keeping-while-giving' (2014, p. 600).

Peebles extends this argument to banking practices as a whole and castigates those anthropologists who failed to notice the connection between banking and keeping-while-giving, in the sense that both rely on an interplay between inalienable and alienable possessions.

However, it is not quite true that no anthropologist has noticed the relevance of 'keeping-while-giving' to banking. In *the Enigma of the Gift* (referenced by Peebles) Maurice Godelier does take note of the prevalence of the principle of keeping-while-giving to *the practice of storing gold as reserve currency* And in my article on subsoil resources as inalienable possessions in Guanajuato, Mexico, I draw on Godelier's point in order to demonstrate how cooperative members relate to mineral reserves (both silver and gold) by means of a logic of keeping-while-giving:

> Godelier … . point[s] out that even money (or gold as money) operates 'in the very midst of a market economy, of universal currency, and generalized competition [as] something [that] needs to be kept out of circulation, to be voluntarily withheld from the sphere and movement of exchange in order for the mass of market and bank exchanges to be set in motion' (1999, p. 28) … .The very substantiality of gold as the center of a system of national currency exemplifies this dialectic [between what circulates and what is held out of circulation]. (Ferry 2002, pp. 349–350).

In this paper I argue, with support from Peebles that gold reserves discussed in this article, both in mines and vaults, operate according to a logic of keeping-while-giving. That is, some portion of the reserves must be kept intact and even inert or 'dead' in order to provide the stability needed for other forms of wealth to circulate.[7] Yet their presence, while hidden, also needs to be displayed. And while this is true for all kinds of reserves (think of the reports of university endowments), in gold's case that presence is often displayed more overtly and with greater fanfare. This is, I believe, because of gold's claims (or more pertinently, people's claims on gold's behalf) that it is intrinsically valuable, by virtue of its 'natural' material properties.

Gold's intrinsic value

Peebles' argument helps to explain how gold reserves act as a hoard in contemporary finance, and why, then, a significant portion of the gold mined must be sequestered away. This works for all kinds of assets. However, gold is a historically and culturally specific asset; its specialness resides, I argue, in its claim not to *represent* but to *be* intrinsic value. This effect of intrinsic value, I hope to show, is periodically created through the performance of gold as paradoxically both hidden and on display.

I have described gold's semiotic claim that it is not a sign, arguing that

> [gold's] enduring, widespread, and culturally dense claims are based on a very particular semiotic stance: gold's value comes from its immediacy, in the literal sense … that is, it does not mediate, nor does (or perhaps, nor should) anything mediate on its behalf. It does not stand for value; it is value. (Ferry 2016b, pp. 58–59).

Often this claim is based on gold's material properties.

A 2010 episode of NPR's radio show 'Planet Money' makes this argument, focusing in particular on why gold's material properties made it a 'natural' and 'inevitable' form of money. The episode, produced in the middle of the gold bull market, is entitled 'Why Gold?' The hosts play 'periodic table bingo' with Sanat Kumar, a chemical engineer from Columbia, crossing off all the elements that would not work as money (they do not explicitly state which of money's functions gold works well for, but the discussion focuses primarily on gold as a medium of exchange, and secondarily as a store of value) By the end of the entertaining 20-minute episode, they have narrowed down the principal properties needed for a substance to succeed as money: it must be (they argue) solid at normal temperatures; inflammable; non-reactive; non-toxic; rare but not too rare; present and obtainable in the ancient world. They are left with two elements: gold and platinum. Gold, they contend, is finally chosen over platinum because of its lower melting point and the relative ease of testing its veracity. Kumar concludes by saying, 'For the earth and the parameters we have, gold is the sweet spot and it could come in no other way.'

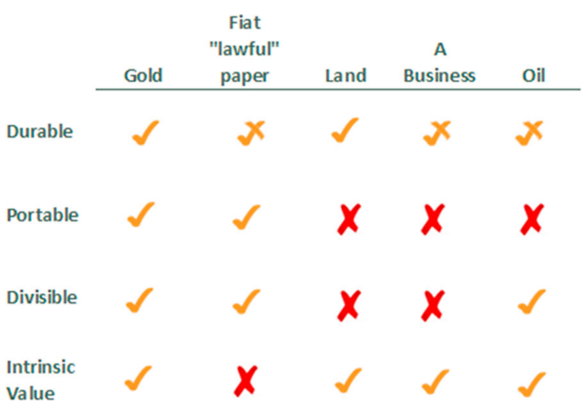
This emphasis on the material inevitability of gold as money continues to circulate widely. For instance, financial newsletters and blogs currently on the Internet use Aristotle's theory of money to distinguish gold from other kinds of money. They typically make the argument that gold – and only gold – meets these criteria. Often, they are accompanied by an infographic or visual representation of the argument, such as in this instance, taken from a 2009 article entitled 'Aristotle's Good Money' (Figure 1).

(Note the inclusion of 'intrinsic value' as analogous to material properties like durability and divisibility.) The mobilization of classical authority presumably lends legitimacy to the argument that gold's intrinsic material properties make it a uniquely appropriate substance for use as money.

This ideology of gold, identified in the context of monetary theory as 'intrinsicism' (Ingham 2004, Maurer 2005, Vasantkumar 2019) has helped to establish gold's particular role in contemporary finance and sovereign wealth. It is because of this perceived intrinsic value that gold is seen as a financial haven or refuge in times of economic crisis, as described above. This also helps explain why it is thought to form a necessary part of the federal reserves of many nations (Schoenberger 2011, Truitt 2018).

At the same time, these qualities need to be displayed in order for their value as hidden reserve to be recognized. Thus, an oscillation of secrecy and display activates gold's claim to intrinsic worth. The performance of gold's hidden presence can be seen as a 'tournament of value' in Appadurai's sense (1988; see also Peebles 2014, p. 601), but one that turns inward toward sequestration, instead of outward toward distribution.

In his 1996 essay, 'Beads and Power: Notes towards a Theory of Wealth and Power,' David Graeber distinguishes between two forms of value as social power: one invisible and based on action upon



	Gold	Fiat "lawful" paper	Land	A Business	Oil
Durable	✓	✓✗	✓	✓✗	✓✗
Portable	✓	✓	✗	✗	✗
Divisible	✓	✓	✗	✗	✓
Intrinsic Value	✓	✗	✓	✓	✓

Figure 1. Table reprinted from Aristotle's Good Money, https://www.bullionvault.com/gold-news/money_aristotle_050120092 with permission of John Lee, chairman of Silver Elephant Mining Corporation.

others and upon the world, and one visible, based on reflection and often expressed as adornment. He traces this through a number of specific contexts, including masculine and feminine dress and the myth of the Ring of Gyges and the distinction between gold as jewelry or adornment and gold as coin. He also acknowledges that the position of these oppositions is always changing and then one type of thing can easily play two roles, and indeed, gold occurs several times in his piece as a substance that seems to straddle these two forms of value, the visible and the invisible. Graeber (in good Stucturalist fashion) stops at the daring but not too explanatory remark that this division 'may well be intrinsic to the dynamics of human thought and action' (1996, p. 7) Nor am I up to pronouncing in any definitive sense *why* gold should occupy this Janus-faced role with some regularity. I will content myself with suggesting that through some combination of historical sedimentation and material affordances, gold has often acted as a fulcrum between invisible and visible forms of wealth and some of these instances can be seen in the mines of Guanajuato and the central banks of Europe.

Gold in markets and as reserve

To make sense of my argument and grasp its relevance, we need some (necessarily brief) sense of the history of gold in Euroamerican contexts as a substance with distinctive and impressive force (Maurer 2005, Green 2007, Vilar 2011), linked to value and sovereignty and thus to market and state. In particular, gold's close association with money is both a consequence and a driver of its tremendous cultural power over the course of many centuries. This is so even though, until recently, the actual quantity of gold in use has always been surprisingly little. Pierre Vilar, in his *History of Gold and Money* (2011) reports that until 1500 all the gold mined could have fit into a 2-meter cube and in 1905 into a 10-meter cube (p. 19).[8]

During these centuries, gold functioned primarily as a method for large payments, a reserve currency (with silver much more commonly in circulation), and a means of adornment and the display of power and transcendence. While Britain moved to a single gold standard in the early nineteenth century, most other countries either operated on a silver or bimetallic standard. Only after 1870, because of Britain's dominance as an industrial and financial power did most European and American countries, and others outside these zones, move to a gold standard (Eichengreen 2019, chapter 2).

The gold standard as an international system lasted until 1931 (barring an interruption from WWI to the mid-1920s) (Green 2007), though not without continual adjustments and coordinated action between countries to maintain its efficacy in times of crisis. The system depended on an 'overriding commitment on the part of central banks to external convertibility' (Eichengreen 2019, p. 32) and was ultimately challenged by the rise of fractional reserve banking, since this form of banking depends on a central bank as backstop or 'lender-of-last-resort,' leading to a structural tension between foreign exchanges and the stability of national economies.

This tension was postponed for some time through a variety of political and economic mechanisms (Eichengreen 2019, pp. 32–37) but could not survive the Great Depression. A series of currency crises provoked the departure from gold convertibility, first by Britain in 1931 (Eichengreen 2019, pp. 71–79). Most other countries followed suit, including the United States in 1933; this action put the nail in the coffin of the international gold standard (Ahamed 2009).

Gold's status as reserve currency came to an end over the course of the twentieth century, first in the 1930s and again in 1971 when Richard Nixon ended the convertibility of gold with the dollar at a rate of $35.00/ounce. In the years following this decoupling, gold's price rose precipitously, culminating in the early 1980s at a price of $850/ounce (London Fix price).[9] The price then declined through the 1980s and was driven yet further down when the Bank of England sold off over half its reserves (395 tonnes).[10]

Gold's low price also led to a (temporary) decline in production. This began to reverse as the prices for commodities in general and gold in particular, rose in the early 2000s. Gold reached a nominal high of just over $1900/ounce in 2011 (when adjusted for inflation, the high at the beginning of 1980 is still the historical high in real terms) .[11] For several years after this, gold's price wandered in the range of $1100–1300/ounce, in many cases close to the cost of production. As mentioned above, in the summer of 2020, at the heart of the COVID-19 pandemic, at least in the United States, gold hovered around $2000.

The rise in gold production since 1970 seems odd, given its shrinking importance in international monetary systems. The rise can be attributed to four main factors. First, once the price of gold was no longer set at $35.00/ounce, a lively market in gold quickly emerged. The development of financial derivatives linked to gold (futures, options, swaps and, in the 2000s, exchange-traded funds) further stimulated the price, encouraged speculation, and introduced, at some moments, intense volatility.

Second, because the price of gold is frequently either uncorrelated or inversely correlated to other 'asset classes' in global finance like the stock market, U.S. treasury bonds, and the price of oil, it has emerged as a financial 'hedge' (something that can be used to diversify an investment portfolio and reduce risk) and a financial 'haven' (a refuge for value in times of financial crisis) (Baur and Lucey 2010). This is one reason for the tremendous rise in gold prices after the global financial crisis of 2008–2009. It also underlies arguments that gold can be an effective form of 'insurance' in investment portfolios.

Third, a significant driver of demand for what is called 'physical gold' has risen in Asia, particularly in China and India, where rapidly growing middle classes are investing in gold. and where increased buying of both jewelry and gold in the forms of coins and bars has driven up the gold price in the past fifteen years.[12]

Fourth, technological changes in gold mining and processing, in particular the development of cyanide heap leach processing, have allowed for the cost-effective mining of much lower grade ores than ever before. This has encouraged a massive increase in open-pit mining, which uses more capital, water, and other resources, but much less labor, to mine gold rapidly and efficiently (Studnicki-Gizbert 2016).

Gold production, driven by demand and by technological changes (among other things) has grown enormously over the past 50 (and especially the last 15) years.[13] Yet these explanations do not really clarify gold's ongoing appeal, outside of its application for jewelry and industrial uses and in the absence of a financial or currency system based on gold, nor do they account for the immense efforts to extract and then sequester such large quantities of gold.

To help explain this, I now turn to an account of how gold is moved from one state of reserve or hoard – the mine – how it passes through several 'enlivened' (to borrow Peebles' language, itself taken from Marx, of living and dead capital) stages, and how it is then recaptured in central bank vaults.

In what follows I propose an equation between the gold reserves in mines and in central vaults. This equation is not total – particularly because mining reserves have a limited lifespan, even if not always treated as though they do (see note 7). But they do share several important similarities: both types of reserves behave as a 'collectivized hoard' on the presence and security of which the worth of some social body (a nation, a mining company and its shareholders, a town) depends; for both types, the outward performance of a hidden store of wealth is crucial to their public, circulating values (currencies, shares); and for both types, the politics of stewardship become crucial and often highly contentious. Bringing out these similarities helps us to understand the dialectic of secrecy and display that helps to give gold its social power, and to explain why people continue to extract and sequester such quantities of gold, even as its monetary and political importance have drastically declined.

Central bank reserves

At the end of 2018, central banks held 17.2% of the world's gold supply (the remaining 21.8% of the 38% cited above are located in private and commercial vaults). That is, nearly one fifth of the gold above the ground in 2018 was located in central banks and much of that gold (as I explain below) was not under 'active management' (that is, not mobilized as capital in interest-bearing contracts such as loans or swaps). Given what we have already said about hoards and what we know about banking in general, this is not surprising. As Peebles notes, 'capitalism actually relies intimately upon the fact that certain elements in its global infrastructure hoard dead capital' (2014, p. 596). The question, which I hope to illuminate in what follows, is why and how gold comes to seem an especially apt material for hoarding in this sense. To begin my discussion, I limn some of the contentious politics surrounding gold's presence in central banks and its presumed relationship to the stability of the national collectivities for which they stand.

The ending of the dollar's convertibility to gold in 1971 is broadly understood as one of the defining moments of contemporary capitalism (Gregory 2005). Among its many consequences, it allowed for gold to trade in commodities markets with a floating price, and also effectively eliminated the explicit basis for central bank holdings in gold, since it no longer had any connection to the money supply. Nevertheless, gold is still a principal asset held by central banks.[14] The World Gold Council reports that

> The past decade has seen a fundamental shift in central banks' behaviour with respect to gold, prompted by reappraisal of its role and relevance after the 2008 financial crisis. Emerging market central banks have increased their official gold purchasing, while European banks have ceased selling, and the sector now represents a significant source of annual demand for gold.
>
> Central Banks sold 7,853 tonnes of gold between 1987 and 2009; between 2010 and 2016 they bought 3,297 tonnes. [15]

In response to the surge in central bank gold purchasing (up 74% from 2017) former Lead Financial Offer of the World Bank and World Gold Council board member Isabelle Strauss-Kahn states that under conditions of geopolitical uncertainty '[Gold] fulfils central banks' three core objectives: safety, liquidity and return,' emphasizing many factors, including lack of counterparty risk, non-correlation with other assets, availability for swaps and leases, portfolio diversification and financial returns over the long run.[16] Her description of the reasons central banks should own gold highlight both its function as reserve and as 'living capital' from which returns can be drawn (for instance, when it is lent out to other banks).

A survey of central bankers' attitudes towards gold, conducted by the World Gold Council (which included 39 respondents, 32 of which were owners of official gold reserves) gives us a small window on some of the different motivations that bankers state for owning gold. These stand in partial contrast to the hybrid view of gold's role in central banking expressed by Strauss-Kahn. The top three motivations that central bankers found 'highly relevant' for owning gold were, in order, 'the historical position of gold in the bank' (that the bank already holds gold – this refers especially to banks in Western Europe and the U.S.), gold as a 'long-term store of value,' and the fact that gold has 'no default risk.' Other significant motivations also referred the qualities of gold that (supposedly) make it a good reserve such as liquidity, lack of 'political risk' and its role as portfolio diversifier (presumably of its low correlation with other assets). These motivations emphasize gold as passive, sequestered capital (World Gold Council 2019, p. 4), downplaying the ways in which it can be financialized through swaps or leases.

Even as many central banks continue to hold and purchase gold, central bankers often feel penned in by the need to hold gold. In the first place, they are restricted from by the Central Bank Gold Agreement (CBGA), signed by the European Central Bank and 20 other European central banks in 1999, in response to the Bank of England's sale of half its gold reserves and the ensuing price depression. Subsequent agreements have been signed in 2004, 2009 and 2014.[17] At the 2018 annual LBMA meeting, a panel of central bankers, including Strauss-Kahn, was asked about the continued relevance of the CBGA. Their somewhat cautious response was that they perceived the agreement to be no longer necessary, since central banks were now purchasing rather than selling gold, and that the banks had essentially learned their lesson. This response is not likely to persuade either those, such as mining companies and long-gold funds, who are committed to a high gold price, or those who see gold reserves as essential to national stability, as discussed below.

Not only are central bankers (at least those whose banks are signatories to the CBGA) impeded from selling their gold, there are obstacles to making gold work at all as a financial asset, such as by leasing it. This is known as active management, and a number of larger central banks, such as the Banque de France, Bank of England and the U.S. Federal Reserve, engage in it, leasing gold to large commercial banks, who then sell it to gold fabricators and investors, and buy the equivalent amount back from the market once the lease is up, following agreed-upon (but no longer publicly available) gold forward rates (GOFO). One market operations person whom I interviewed described how the central bank for whom he works engages the practice of leasing gold to commercial banks and to other central banks, but does not say much about it publicly for fear of raising protest from those who might find this practice risky or who see it as undermining the function of gold reserves, which is to remain passive and unencumbered by leasing agreements. Gold leasing is also regulated by the Central Bank Agreements discussed above, for fear of depressing the price.[18,19]

Questions about the amount and appropriate uses of gold in central banks, then, cluster around whether it should be held as a hoard or mobilized as 'living capital.' As with other collectivized hoards, issues of stewardship are key. In the case of many central banks, this takes the form of anxieties surrounding the presence of physical gold (and its location within the country) and the stability of the nation. For instance, one of the main political risks for European central banks with respect to gold that has become more prominent in recent years is the challenge, usually from groups on the far right of the political spectrum as to whether the gold is in the country and even whether it is 'is really there.'

Beginning in 2013 and continuing into 2019, a trend towards the 'repatriation'[20] of central bank gold reserves has taken hold in Europe. Many of these reserves have been held outside of these countries, especially in London and New York. The call to 'bring back the gold' originally began with rightwing groups and often had a nativist and even 'blood and soil' tinge to it. For instance, in 2013 politicians from the right-wing populist Swiss People's Party launched a 'Save our Swiss Gold' referendum that would require that the Swiss National Bank maintain at least 20% of the gold reserves within the country. The Swiss National Bank campaigned against the referendum, which lost on November 30, 2014, received 44% of the votes. Likewise, Marine Le Pen, of the right-wing National Front party in France, sent a public letter to the Banque de France, also in November 2014 demanding 'Urgent repatriation on French soil of all of our gold reserves located abroad'. Deutsche Bundesbank, responding to similar pressure launched a highly public relocation program in 2013 and moved 674 tonnes to Frankfurt from abroad. This project was accompanied by a public relations campaign that included a glossy coffee table book, video and museum exhibition. [21]

Indeed, Carl-Ludwig Thiele of the Deutsche Bundesbank remarked of the book produced by the bank, *Germany's Gold*, that it gives 'readers a vivid sense of what it is like to touch and feel the gold for themselves … .Hence the spectacular glossy images of gold coins and bars from the Bank's vaults.'

Thiele, now retired from the Bundesbank executive board, spent much of the last few years serving as the public face of the transfer of German gold to Frankfurt. The public performance of the move is at least as important as the move itself, given that everyone involved agrees that the transfer has no effect on how the central bank works or on the German or European economy. Thiele is an apt spokesperson, a tall, handsome, white man in his mid-60s, with silver hair and piercing blue eyes. He radiates confidence, probity and urbaneness (Figure 2).

In his articles, press conferences and other public performances, Thiele frequently references the ability to see and touch gold as evidence of its presence and substance, as we saw in his description of the book *Germany's Gold*. For instance, in a press conference at the opening of the exhibit 'Gold: Treasures at the Deutsche Bundesbank,' Thiele told reporters, 'We're doing this to show citizens that the gold bars are here, to show transparency'. In an article written for World Gold Council's publication *Gold Investor* in 2017, Thiele also touches on the theme of transparency and its verification through sight, noting that 'At press conferences held to unveil these developments, journalists were given an up-close look at some of the gold bars that had been brought to Frankfurt from both

Figure 2. Carl-Ludwig Thiele [ARNE DEDERT/DPA/AFP via Getty Images).

New York and Paris' (Thiele 2017). This performance of gold's presence in Germany turns on those qualities of gold (shine, yellow color, texture) that also act as qualia, or qualities instantiated and experienced in particular entities, which come to operate as qualisigns (by convention) for abstract concepts like value and presence (Chumley 2017). It seems that gold, as a reserve of the nation that will be sequestered and protected from loss, must be made visible, touchable, and otherwise apprehensible. If this is so, it helps to explain the reason why gold is carried from one vault to another in expensive (Germany's program cost 7.6 million euros) and potentially risky operations.[21]

Mining reserves

Ore (rock or sediment containing economically valuable minerals) in underground mining can also act as a reserve of value. Mineral reserves that are still in the earth operate as the store of capital on which companies base their performance of value to investors and market analysts and commentators. In the wake of the Bre-X gold hoax and scandal, when investors were seduced and massively defrauded by stories of vast amounts of gold in Indonesia, regulatory standards were instituted for all mining companies listed on the Toronto stock exchange (the primary exchange for mining corporations in the world) (Tsing 2000; Kneas 2016). The Canadian Institute of Mining created a standard by which to report the presence of ore, divided into mineral 'resources' and mineral 'reserves.' As David Kneas discusses, the CIM standards, known as National Instrument (NI) 43–101, provide a classificatory and legal framework for the performance of future values by mining companies (Kneas 2016, pp. 73–74).

Within this framework, a mineral resource is defined as 'a concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction' and is further divided between 'inferred,' 'indicated' and 'measured' resources. A mineral reserve is 'the economically mineable part of a Measured and/or Indicated Mineral Resource.' These categories are arranged along a continuum of 'geological knowledge and confidence' and must be confirmed by outside evaluators known as

'Qualified Persons.' Mineral reserves, as should be clear, have (convincingly perform) a higher level of knowledge and confidence than mineral resources.

The NI 43–101 is not the only internationally recognized standard for mining, but it is the one that is most oriented towards disclosure and reporting, in recognition of its origin after the Bre-X scandal and of the current environment for mining, particularly for 'junior' and mid-sized mining corporations which are mining value from share prices as much or more than from the earth (Kneas 2016). The standards cover reporting by mineral corporations in press releases, shareholder reports, presentations, websites and oral comments. In this context, the presence of reserves plays a role for mining companies that closely follows that of a reserve asset; they act as the buried form of value that determines the performed value of the company, the project life and yield of mining projects, and the value of the mining shares, which act as a kind of currency. The relationship between mining reserves and share prices follows that of the reserves and savings described by Peebles, though it is true that for mining reserves there exists a contradiction between reserves and circulating values, since gold as a geological formation in mines is neither fungible nor (therefore) renewable, unlike gold in central banks. But at a given moment, this relationship between mining reserves and share prices strongly resembles the dynamic described by Peebles, and indeed the impending exhaustion of reserves tends to be indefinitely deferred (Ferry 2005).

In what follows I describe the history of one particular gold-silver mine in Mexico, with an emphasis on the relationship between mineral reserves as a dimension of the mine's performance of value to its owners and shareholders, and as a historical property over which miners and other residents of the area claim affective and moral, if not legal, stewardship of the collectivized hoard of mineral reserves.

The El Cubo mine is located in the Guanajuato mining district, which is supremely famous particularly for the spectacular production of high-grade silver in the Veta Madre, a massive gold-silver lode that spans the district and was first discovered in the mid-sixteenth century. In the latter half of the eighteenth century, silver, and to a lesser extent gold made Guanajuato and the surrounding Bajío region into an integrated economic system with global impact, described by Angel Palerm as 'the first world economic system' (1980) and by John Tutino as a founding center (rather than periphery) of global capitalism (2011).

The Veta Madre runs through the city and mining district of Guanajuato roughly from northwest to southeast. Mines to the southeast are centered on the communities of Calderones, Rosa de Castillo, and Mineral del Cubo (generally known as El Cubo). The mine at El Cubo has the largest concentration of gold in the Guanajuato district and was discovered in the 18th but not extensively explored until the nineteenth century. Ore is extracted through drilling and blasting, and removed via shafts, adits and ramps and initial processing (beneficiation) is done at a plant on site using crushing, grinding, flotation and cianuration methods. The El Cubo mine contains many and deep underground spaces and has many entrances, only some of which are currently in operation.

The town of Mineral del Cubo (also known as 'El Cubo') is located on the site of the El Cubo mine (Figure 3). The relative isolation from the city of Guanajuato (only 7 miles away, but along a mountainous road and therefore several hours by foot and even horseback) created the conditions for a highly insular community, bound to the mine by methods beyond wages, including debt, lack of other opportunities, and investment in the social life and infrastructure of the town, painting the church, repairing the school and maintaining the water system. The town's history and identity are strongly linked with mining, both in the past and present. A strong sense of historical and place-based ownership over the mines (including those parts that are underground) (independent of what company currently controls the concessions) prevails among residents.

In 1937 El Cubo became famous in the history of the national miners' union when six miners were assassinated on the road between El Cubo and Guanajuato on their way to an organizing meeting. Their statues stand in front of the mining hacienda at El Cubo, and the anniversary of their murder – April 22 – is celebrated nationwide by the union. Thus, the mine of El Cubo can be usefully theorized as a collectivized hoard not only for the Endeavor mining company and its predecessors, but also for the town of El Cubo, its generations of miners, and the national miners' union.

Figure 3. The town of El Cubo, with the tailings pond in the background. Photograph by Alfonso Ochoa, reproduced with permission.

For the final quarter of the twentieth century, the El Cubo mine was owned by Rafael Villagómez Hernández, who cultivated relations of patronage with the town and mine workers, painting the church, providing water and planting trees. For the most part, people in the town remember his era with affection. They see him (at least in hindsight) as having been committed to converting the wealth of the mines to the prosperity and benediction of the town. In contrast, one resident who has been especially vocal in demanding that the company clean up the tailings ponds and river, and provide other benefits to the town said to me, in describing the current owners, '*la mina tan rica y el pueblo tan jodido*' (the mine so rich and the town so screwed), using parallelism to underscore a shameful disjuncture between the mine's reserves and the town's wellbeing.

In 2004, Villagómez sold the surface holdings and concession rights to MexGold, a wholly-owned subsidiary of the Canadian company Gammon Gold. During this time the number of mine accidents increased, which some attributed to the practices of miners, and others to overly long shifts and a lack of sufficient personnel to do the work safely. In 2009 the unionized miners at El Cubo began a 9-month strike over the failure to disburse the 10% profit shares required by Mexican law (the company claimed it was operating at a loss), eventually gaining most of their demands. In 2012 the holdings were purchased by the current owner, another Canadian company: Endeavour Silver. Endeavour also owns properties at the other end of the Veta Madre, near the town of La Luz. Endeavour and Great Panther are the two main companies currently operating in the Guanajuato district. On my visits to El Cubo in 2016, 2017 and 2019, residents of the town complained that most of the workers came from outside the town of El Cubo, and furthermore that since the leaders of the union local were from the city of Guanajuato and not El Cubo, the union did not support the town either. Residents formed their own organization to negotiate with the company for the town's benefit, the 'Renacimiento de Mineral del Cubo Pueblo Mágico' civil association. This organization draws on the rhetoric of the Mexican government program 'Programa Pueblos Mágicos' that aims to promote tourism in historic centers, and also seeks to bind the gold reserves to the town, where they legitimately belong.

After several years of uncertainty, Endeavour Silver announced in November 2019 that it was suspending operations at El Cubo because of lack of reserves. CEO Bradford Cooke stated in a press release on November 21, 2019 that

> El Cubo was a good mine for us but our exploration programs in recent years failed to replace reserves and find new resources. We reduced the plant throughput this year in order to explore for new reserves but without success. As forecasted, grades and throughput have been declining all year, which resulted in declining economics of the mine in recent months.

Peebles notes that 'hoards are intimately tied up with the boundaries of self and other that help to define the notion of "mutual". Making a decision to join a collectivized hoard fuses one's future to that of the particular collectivity that governs and monitors the hoard' (2014, p. 596). Multiple collectivities claim the gold reserves of El Cubo as the basis of their mutually-constituted future: the corporation and its shareholders; the town of El Cubo; and the union. Moreover, this kind of contestation frequently (perhaps even nearly always) arises with respect to reserves/hoards. In the section on 'Bodies' below, I explore some of the ways these contentions play out in El Cubo.

In sum, gold reserves in central bank vaults and mineral reserves in mines (while not exactly the same), both act as collectivized hoards, and gold's puissance as a good substance for this action depends on an oscillation of secrecy and display. In each case, the (performed) presence of the reserves condenses arguments over who are the legitimate stewards for the collectivity to which the hoard belongs.

Bodies

These dialectics of secrecy and display mobilize gold as a substance that is good to hoard, and one that acts as a valuable basis for the stability and credit of a collectivity (like a corporation, town or nation), and that it establishes this value through its performed intrinsic value. In this final section I want to focus on those places when gold leaves the mine and enters the vault, because these are the places where it is performed overtly as a valuable substance that can work as a collectivized hoard. I look especially at the ways in which different kind of human bodies come into contact with gold and how they help to make manifest its qualities. These qualities, however, seem to differ – where in central banks the emphasis is on brightness and purity, in El Cubo, qualities of emptiness, darkness, and ghostliness take center stage.

Most of the bodies we see in public performances surrounding the entry of gold into European central banks are white, male, and middle-aged or older. These seem to provide a visual idiom for safety and stewardship. Thus, Googling 'gold repatriation' yields many photographs where gold bars handled, measured, weighed or touched by white male hands and fingers. Figure 4 shows a moment when such a photo is staged, where a Bundesbank executive holds up a gold bar on the diagonal as photographers take close-ups of his hands upon it. Other photographs show one white, male finger touching a gold bar as a literal index of the idea of European men as the proper stewards for gold. This visual idiom joins the press conferences, books, exhibits, video, articles and other forms of labor that perform gold's value. In these images as with the book *Germany's Gold* and its associated publicity, qualia of brightness, whiteness, purity and maleness (Munn 1992, Harkness 2015) are laminated together as signs of safety, solidity and stewardship of the body of the German nation.[22]

The fact that these images are mobilized as evidence of the gold in European central vaults underscores the interplay of sequestration and display, for it is at the entrance to the vault (closed-off, protected, secret) that gold shines forth most brightly. Gold's luster and non-reactivity (which means it does not rust or tarnish) strengthens this qualic performance, for it can be imagined as shining even in the depths of the mine or vault. The phrase from the Galveston Times that I have taken as this essay's title shows this well: 'deep in the earth a shining substance' suggests an almost-magical ability to shine even in the absence of light.[23]

The bright gold and the white, male, middle-aged hands come together at the entrance of Germany's vault (and other European vaults – the Bundesbank is just an example) to signify stewardship and the protection of legitimate ownership. In Guanajuato, gold's presence in and passage from the mine animates other ideas, such as more open questions of who does in fact legitimately own the gold, on the one hand; and on the other, who and what are left behind when gold is taken away. These questions bring the political nature of hoards to the forefront.

Figure 4. Bundesbank takes back gold from abroad [Photo by Frank Rumpenhorst/picture alliance via Getty Images].

One site where these questions are raised is the practice of ore-theft or *lupiaje,* as it is called in the Guanajuato district. This practice, when men enter mines in secret to take out ore, selling it to processors in the neighborhood, is long-standing in Guanajuato. It may be connected historically to the established right of miners in the district to a share of silver (known as the *partido*). This right was fiercely defended, and the attempt by mine owners to remove this privilege was one of the proximal causes of the regional rebellion that become the war of independence from Spain (Hamnett 2002). It is also akin to other activities in mines in Latin America since the colonial period; Abercrombie describes one example from eighteenth century Potosí (1996).

Lupios (ore-thieves) are understandably more common when the price of gold and silver is high enough to make it worth the risk and costs of bribing watchmen, risking prosecution and violence, entering the mines at night and without adequate safety equipment and so on. Therefore, it is not surprising that in the period of Canadian dominance over Guanajuato's mines and historically high prices, the practice of lupiaje grew tremendously and became a major concern of mining companies in the district. However, even though prices have retreated from the heady days of 2009–2012, they are still high enough to make it worthwhile for many.

In 2019, I spoke with a man from Mellado who works as a taxi driver and whose family comes from the mining town of Calderones, close to El Cubo. He raised the issue of who has the right to mine in Guanajuato, saying, 'Look, I know a lot of people who supposedly are "lupios" but really they are just working their own mines.' When I asked further what he meant by this, he said

> yes, it is illegal, but it isn't like they describe it – it's not like *el huachicol* (the practice of stealing gasoline from refinery pipelines, which was in the forefront of the news in February 2019, at the time of the interview, and which is broadly recognized as both a crime and an antisocial act). The thing is these mines have thousands of entrances and people know them really well and they go in secretly.

The El Cubo mine was closed by Endeavour Silver at the end of November 2019, leaving some 400 miners out of work. The isolation of the town of El Cubo exacerbates the ensuing economic crisis, since mining is the only employment in the area. It is likely, as was reported in a Zona Franca article on December 13, 2019, that lupiaje will intensify during this period, with less oversight in the mines and more desperation. A shopkeeper who identified herself as 'María N.' told reporter Alfonso Ochoa that

> they [the Canadian owners] didn't give work to people, because they [the owners] are thieves (*rateros*), and now there will be more lupios … . It's sad that the boys go down in the mine [as lupios], it's very dangerous, they go in without any protection … they aren't our own children, but we know them.

Though this woman deplores the phenomenon of lupiaje, she lays the blame for it on the abrupt and irresponsible departure of the company, stating that the Canadians 'just came to loot and didn't leave anything, only poverty and problems.' This observation further underscores the emptiness and lack of value of what is left behind when gold leaves the mines.[24] It also aligns with the role of gold as a collectivized hoard in European Central Banks – if in Germany the movement of gold into the vaults in Frankfurt is seen by some as 'repatriation,' the departure of gold from the mines of El Cubo appears as 'depatriation,' not only from the national collecitivity but from the '*patria chica*' ('little nation,' or 'little homeland' – a concept referring to a region or microregion, village, town, ejido or other territorially-bound collectivity that evokes a strong sense of belonging) (Giménez 1996).

Lupios who camp at night or stow their loot to be collected the following day are not the only bodies in the unoccupied areas around the mines of Guanajuato. These areas are also traversed by witches and ghosts. One of these ghosts, on the road between Guanajuato and El Cubo – the same road where the six men were killed on their way to a union meeting in 1937 – was seen by one of my interviewees on several occasions, including the Day of the Dead – as a tall shrouded figure, descending the hill rapidly. When he asked others if they had ever seen any spirits on that road, he was told of one, the ghost of a dead miner. In fact, there are many bodies in the mines of Guanajuato and in and among the hills. Some of these are the physical bodies of dead miners, as well as those who lie in the cemeteries of the towns around. One interlocutor from El Cubo, while taking me on a tour to observe the potential danger from one of the tailing ponds maintained by Endeavour Silver, also brought me to the cemetery. The dead are outgrowing their quarters, he told me, and other nearby villages such as Rosa de Castillo have also been burying their dead there for many years. Soon they will need to expand. He showed me a cement slab at the entrance of the cemetery. Here, he told me, was buried a witch, native to the town. When she died and was buried, the earth rejected her and her body was thrown back out of the grave. This happened several times until the priest ordered that her body be put just inside the entrance, under concrete, 'where everyone would step on her.'

Witches (both female and male) are also thought to range in the mines and in the hills around and above them. There is a ring of mountains around Guanjuato, each topped by a shrine, and masses take place sometimes at night at these shrines to protect the city from witchcraft (*brujería*). The shrine to San Ignacio at the top of La Bufa, where a festival takes place each July 31st, is the most famous of these. The shrine to San Ignacio is located in a natural cave.

The mythology around *brujas* and *brujos* around Guanajuato seems to draw simultaneously on politics, geology, interpersonal relations and metaphysics. For instance, one interlocutor told me that he believed that myths about *vampiros* and *catrines* [upper-class 'dandies' in evening dress] around Guanajuato came from the period of the Cristero War, when black-clad priests were sheltered by townspeople to protect from federal agents seeking to crack down on the church and who would go out at night to hold clandestine masses. The story of the witch buried under the concrete, to me, recalls cases, like Salem MA, of small group social relations gone very bad (Demos 2004).

Stories of witches and spirits that haunt the mines are often, though not always, linked by interlocutors to the bodies of worker who died in the mines. These are certainly based in fact, serving as a material reminder of the tremendous human costs of mining (Nash 1979, Ferry 2005). Such stories also resonate with other mining localities. For instance, Carlos Julio González Colonia has written thoughtfully about the intersection of witchcraft, senses of place and belonging, and gold extraction in Marmato, Colombia (González Colonia 2017).

The question of who is or should be the legitimate stewards and beneficiaries of the hoard is made material in the bodies of lupios, ghosts and witches near the mines of Guanajuato and in the bodies of bank employees and representatives near the vaults of Europe.

Conclusion: gold and racial capitalism

In this article, I have tried to show both gold mines and gold vaults act as hoards in Peebles' sense, as the repository for 'dead capital' that exists in a dialectical relationship with living capital, upon which the value of that living capital depends. The particular aptness of gold as a hoardable substance relies not only on those qualities emphasized by Ms. Strauss-Kahn, such as lack of counterparty risk and liquidity, but also on its performance as intrinsic value and on the dialectics of sequestration and display exhibited through corporate filings and presentations, press releases and publicity events. The centrality of these performances to gold's value as hoard make its movement from mine to vault not only understandable but verging on inevitable.

At the same time, gold does not only or always signify as bright and pure, nor as linked to the comforting trustworthiness of white male bodies. In some contexts, it is the lack of gold and ensuing emptiness and darkness[25] that are most clearly shown. The emphasis of the 'poverty and problems' left behind after gold is taken from the mines, and the bodies of lupios, ghosts and witches that lurk near the mines are also expressions of gold's value (or, perhaps, the anti-value of gold's departure). Comparing these bodies and performances draws attention to the co-constitution of racialization and geologic extraction that has enabled and continues to enable the enormous transfer of wealth from South to North over the past half-millennium (Yusoff 2018).

In its passage and punctuated appearances from underground mine to vault, gold becomes a kind of switchpoint or transfer station, where (mostly) black and brown bodies are destroyed in the transfer of value to (mostly) white bodies, providing the very basis of European sovereignty (which is sometimes seen under threat from rising Asian demand for gold; see note 22). Contestations over the legitimate place of or recompense for gold and the legitimate owners or stewards of gold reserves motivate attempts to fortify or undermine this transfer.

The politics surrounding gold reserves in mining and central banking depend on the periodic outward performance of gold as a hidden hoard, and gold's material qualities (and the historically constituted resonances of these qualities) make it an especially good substance for these qualic performances. By showing how these quite different places (the mines of El Cubo, the Bundesbank vaults) both function as a collectivized hoard, and that gold's usefulness in these hoards works through the oscillation of sequestration and display, I have tried to answer and to explain the significance of the simplistic yet provocative question posed by Buffet and the observer writing in the Galveston Times: why go to so much effort and expense to dig gold up and then rebury it?

At the same time, the concept of the collectivized hoard asks us to attend to the politics of sequestration and stewardship. I have shown some ways in which these politics are played out in the bodies that attend to, circle around and sometimes haunt gold as it moves out of mines and into vaults: bank custodians, spokespersons and commentators lupios, and witches. These bodies do not usually occupy the same analytic frame or people the same narrative; looking at them together sharpens our view of the global politics of stewardship and belonging and also highlights something that is frequently ignored – that these are fundamentally racial politics. The role of racialized bodies in the transfer of gold from mine to vault – like the transfer of energy via sugar production and consumption (Mintz 1986, Brown 2008) – shows that race is not incidental to but constitutive of the global banking system, and that even as the specific powers of gold in the world economic system have declined, gold continues to help make capitalism racial (Robinson 2000, Johnson 2016).

Notes

1. 2003 July 21, The Times (UK), Section: Business, 'Demand for global listing helps to put new gloss on gold', Quote Page 21, London, England. (NewsBank Access World News)
2. 1877 August 9, Galveston Daily News, The Monetary Problem, Page unnumbered (final page), Column 5, Galveston, Texas. (Newspaper Archive) Quote Investigator
3. As of January 2019, the World Gold Council reported that 74, 509 tonnes of gold (38.5% of all the gold mined) was held either in central banks, commercial banks or private vaults. 34,000 tonnes of this total is held in central banks (17.5%). https://www.gold.org/about-gold/gold-supply/gold-mining/how-much-gold accessed May 15, 2019.
4. My inspiration for this argument comes in part from discussant comments made by Mario Blaser in the panel 'Refiguring Borders; Knowledge, Nature and the Production of Commodities' at the 2012 American Anthropological Meetings, for which I am most grateful.
5. https://www.worldometers.info/coronavirus/#countries, accessed August 8, 2020; https://www.theguardian.com/business/2020/aug/05/after-covid-19-just-how-high-will-prices-go-in-the-2020-gold-rush accessed August 8, 2020.
6. The article emerges out of research I have been conducting since 2012 on gold in mining and finance, with fieldsites in El Cubo, Mexico, Marmato, Colombia and interviews and participant observation with a wide range of actors in financial markets related to gold. These include commodities analysts, fund managers, central bankers, industry representatives, and commentators on the gold market. I have also attended conferences of the London Bullion Market association and meetings at the Word Gold Council and the Denver Gold Forum. Finally the article draws on extensive online research on gold in mining and finance. Research focused on the ways in which participants in gold mining and finance perceived the relationship between gold as a physical object and other assets based on gold, such as futures and options, exchange-traded funds, and mining equities (stocks).
7. It is true that the reserves in mines are assumed to be exhaustible, yet, as I have shown elsewhere (2005), this recognition of mines as non-renewable resource exists in uneasy tension both with notions of national patrimony and of the worth of mines as performed for shareholders. That is, while it may be outwardly recognized that mining reserves can be exhausted and are thus not subject to the dialectic of keeping-while-giving in the same way, miners, mining company executives and investors often erase or downplay this fact.
8. The World Gold Council estimates that, as of the end of 2019, the amount of gold above gold would fill a 21.7 meter cube. https://www.gold.org/about-gold/gold-supply/gold-mining/how-much-gold accesses July 27, 2020
9. https://www.kitco.com/scripts/hist_charts/yearly_graphs.plx accessed June 24, 2019.
10. https://www.forbes.com/sites/greatspeculations/2019/05/03/20-years-since-the-uks-massive-gold-sales-heres-the-big-lesson-for-gold-investors/#587ebea72ac6.
11. https://www.moneymetals.com/precious-metals-charts/gold-price accessed June 25, 2019.
12. Truitt (2018) traces attempts in Vietnam and India to create a nationalized gold asset in the form of the Vietnamese SJC gold bar and the Indian Gold Coin. Others have pointed to the use of jewelry as a form of investment in the Middle East and Asia. (Mehrotra 2004, Moors 2013).
13. In the period from 2005 to 2012, hundreds of gold exploration and production projects were started in Mexico, most with Canadian capital. With the decline of the gold price and increasing levels of violence in Mexico, many of these projects have slowed or suspended operations.
14. As a reserve, gold arguably serves a similar function to many other materials, such as foreign currencies and (though not in the hands of central banks) oil. At the same time, gold differs from these other reserves in two significant ways. First, (in comparison with the effort needed to obtain foreign currencies) getting gold from mine to vault is tremendously costly, environmentally destructive and time-consuming; and second, it is not clear that gold would work as well as is believed in a true emergency. Given that it is now imbricated in an energetic and fairly volatile commodities market influenced by multiple derivatives and other factors, gold may well have significantly less liquidity—if we define liquidity as the capacity to be financially realized quickly and with relatively little loss—than it used to (though the World Gold Council and other entities that are 'bullish on gold' might disagree). At any rate, to this reader, along with Warren Buffett and imaginary otherworldly observers, the effort of taking gold from mine to refinery to mint to vault does not, on the face of it, seem worth all that trouble.
15. https://www.gold.org/about-gold/gold-demand/sectors-of-demand accessed June 9, 2019.
16. https://www.gold.org/goldhub/research/gold-investor/central-banks-return-to-gold accessed December 16, 2019.
17. https://www.gold.org/what-we-do/official-institutions/central-bank-gold-agreements accessed June 9, 2019.
18. http://www.kitco.com/ind/AuthenticMoney/2014-05-21-Will-Central-Banks-Need-To-Buy-Gold-Back-From-The-Market.html, accessed April 24, 2016.
19. Many central bankers, indeed, see gold as a liability and even, as one told me, 'a bit of a nuisance.' For this reason, as two members of the World Gold Council Official Institutions division told me in interviews,

much of their job consists of trying to convince central bankers to take gold more seriously as part of their reserves (and, they hope, to buy more gold) (Ferry 2020).

20. This is the world often used in the press to describe the transfer of gold reserves to the country that owns them. However, the Bundesbank and others use the more accurate term "relocation," since the reserves in question were purchased abroad and have never before been in Germany.
21. More recently, other central banks have followed suit, though with less pomp and circumstance; Hungary moved all of its gold holdings (3 tonnes) back from London in 2018 and subsequently bought 28 tonnes, increasing their gold holdings tenfold. In April 2019, Romania passed a parliamentary bill to bring their gold reserves back into the country.
22. I tried to reach Mr. Thiele to request an interview but was not able to do so. I am not suggesting here that he or any other employee, board member or other partner of the Bundesbank, or others involved in purchasing gold for sequestration) necessarily believes that gold is intrinsically valuable (though some certainly do). Like me, many believe its social power derives from historical circumstance, with perhaps some support from the material affordances of gold that connect to other historically and socially resonant materials (like representations of God in medieval art, or like the sun).
23. As I have touched on elsewhere (Ferry 2020, pp. 18–19) the predominance of white bodies in representations of gold in central banks also has to do with cultural anxieties around the 'rise of Asia' through gold purchasing.
24. This ability fortifies the magical nature of the hoard suggested by Peebles (2014, p. 598, 601, 608).
25. https://zonafranca.mx/politica-sociedad/economia/se-cumplio-cierre-de-la-mina-el-cubo-queda-pobreza-y-posible-robo-de-mineral/ accessed December 27, 2019
26. As well as other qualities such as dustiness and toxicity, less emphasized in these instances.

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