

On the Green Front by Rogelio A. Maduro

A gold heist in the California desert

Behind the Desert Wilderness Act of 1994 lies a plan to tap one of the choicest gold deposits in the United States.

As the U.S. Congress prepares to vote on a final version of the Desert Wilderness Act of 1994, evidence has surfaced indicating that the act may be a vehicle to hand over the richest gold deposits in the United States to Santa Fe Pacific Corp. If the act becomes law, a series of land exchanges will take place that could end up handing over a \$100 billion gold deposit to Catellus Corp., a subsidiary of Santa Fe Pacific.

According to a congressional aide, Sen. Dianne Feinstein (D-Calif.) and Rep. Bruce Vento (D-Minn.), the most active promoters of the act, know very well of the existence of the gold deposits. "This is the reason behind the Desert Wilderness Act," the aide said.

The Desert Wilderness Act will seize over 8 million acres of land in the California desert and turn it into a "wilderness" preserve. This area is larger than the State of Maryland and represents over 10% of California's territory. Not only is the "wilderness" designation unnecessary, but it will actually be detrimental to wildlife, since the act will shut down hundreds of waterholes maintained by people who will be driven out of the area.

While wildlife in the new "wilderness" dies of thirst, some creatures may be drinking from golden goblets. Catellus and other landowners will receive government land in exchange for land they own in the designated wilderness areas. According to officials from the Bureau of Land Management, the BLM does not have any land to give to the landowners, so the only land available for trade will be

from decommissioned military bases. One of these is the Chocolate Mountain gunnery range, site of the world's richest gold rift zone. Mining engineers and geologists estimate that the gold contained in this rift zone is worth over \$100 billion. These are surface gold deposits, which are more profitable to mine than the mile-deep gold deposits in South Africa.

Senator Feinstein, who has staked her political career on the passage of this act, has made it very clear that the subsidiary of Santa Fe Pacific should receive preferential treatment in the land exchange. Catellus owns over 400,000 acres of worthless land in the Mojave Desert.

Santa Fe Pacific already owns and operates the Mesquite gold mine, located on the Chocolate Mountain rift zone. The Mesquite mine is one of the top 10 mines in the United States, and has some of the most profitable gold deposits in the world. To the south of the Mesquite mine is the American Girl gold mine, owned by Morrison Knudsen, which has extremely high-grade gold. To the north is the Chocolate Mountain gunnery range.

It just happens that the Chocolate Mountain gunnery range will soon be decommissioned and its land made available for exchange with desert wilderness land. The Mesquite gold mine stops right at the border with the gunnery range. According to mining engineers who have worked at the Mesquite mine, the main gold ore body is north of the fence, inside the gunnery range.

The engineers maintain that in 1981 and 1982, Consolidated Gold-

fields, which owned the mine at the time, illegally drilled into the gunnery range area to determine the composition of the ore body. The samples proved to be of very high quality. Beginning in the mid-1980s, military helicopters brought high-ranking military officers, congressmen, and senators to the area to examine these huge gold deposits. Representative Vento was one of the congressmen who received the tour.

The purpose of these tours, the engineers note, was to come up with a way to hand these gold deposits over to Consolidated Goldfields. At the time, however, there was no legal mechanism to transfer this land without alerting the public to the existence of the gold, and thus force an open bidding situation. It was shortly after these trips began that the Desert Wilderness Act was introduced into Congress.

In 1993, Santa Fe Pacific Gold Corp. swapped its coal mines with Consolidated Goldfields in exchange for the Mesquite gold mine. This placed both the Mesquite mine and Catellus Corp. under the control of Santa Fe Pacific Corp. It also hid the price paid by Santa Fe Pacific for the Mesquite mine, because they did not have to reveal the cost of the swap. This asset swap increased the possibility of a land exchange, since Santa Fe Pacific has enormous political clout in California and in Washington. In addition to having Feinstein as their champion in Washington, former California Gov. George Deukmejian is one of the company's directors.

If Catellus receives land from the Chocolate Mountain gunnery range, then Santa Fe Pacific would have the exclusive rights to mine this gold.

Instead of approving the Desert Wilderness Act, Congress should investigate what is really behind S.21 and H.R.518.