In the late 1980s I was asked to give a paper on the possibility of including South African gold in a trade boycott to a conference held at Howard University, in Washington D.C.

Annual world production of newly mined gold at that time was about 1,700 tons but accumulated stocks of the yellow metal were massive. The US Federal Reserve Bank had got 10,000 tons of gold. Other central banks were holding about 25,000 tons and there were probably 100,000 tons circulating in the form of coins, wedding bands, necklaces and bangles. Tiny quantities were used in electronics and to emboss books and fill teeth but, compared with metals like copper and aluminium, it's a pretty useless metal. Almost all the gold that was ever mined in the history of mankind is still around. Much of it gets dug out of one hole only to be stored in another hole. For this almost useless metal 500 miners, on average in those days, were killed in South Africa alone every year in underground accidents.

Gold was effectively demonetised in 1972 when the US decided to discontinue relating gold to the value of the dollar. Most governments still retained a large proportion of their national reserves in the form of gold bars, however. They couldn't earn any interest on it and it cost them a fortune to guard it but they were obliged to continue storing it because if they sold it the price would fall to practically nothing.

The campaign to boycott South African fruit and wine was successful politically because everyone buys those products, but South Africa earned only about three per cent of its foreign income from these products. By contrast, South Africa earned a third of its export revenue from gold. At that time, it supplied about 600 tons a year - about a third of the world's supply. If South Africa were denied a market for its gold, its economy would have collapsed.

I was completely intrigued by the idea. As an ex-precious metals dealer, I had traded gold for some years and I put the idea to many other gold dealers and analysts. Everyone agreed that there was no shortage of gold. The central banks would have been pleased to supply jewellers with 600 tons of gold a year and save themselves a fortune in lost interest and storage costs.

Of course, the South Africans could try to smuggle their gold out. It wouldn't have been difficult. You could have got their entire annual production on a few jumbo jets. The gold market was and is, however, one of the most tightly regulated markets in the world. It has to be. Each ingot has to be stamped with its exact weight, fineness (purity), heat number (the number of the batch it was made with) and the refinery in which it was made. The gold market only accepts gold from about fifty certified refineries of which the Rand Refinery of South Africa was the biggest. If international gold dealers were banned by law from handling Rand Refinery ingots South Africa could not possibly have found a market for its enormous production.

Conceivably, the South Africans could have persuaded another refinery to take its unmarked ingots and put its own refinery stamp on them. The gold market could not have failed to notice that another refinery had increased its output by one third of the world's supply, however. And such a practice is anyway outlawed by the market. If the world agreed to replace South African supplies with supplies from central banks, they would not have tolerated South African gold appearing anywhere else in the market for fear of depressing the price.

There was one more issue that made some kind of action on gold essential. The gold market was, and still is, very fickle. Investors charge in and out of the market with the slightest provocation and, at that time, events in South Africa dominated sentiment. When the townships were burning and striking miners took to the streets or when new sanctions were threatened, the price of gold soared only to fall again when things quietened down. If the attitude of other governments had hardened and some serious sanctions were applied, the gold price would certainly have risen dramatically. This would, of course, have boosted the income of the mining companies and the tax they paid to the government. In other words, the more the international community tried to influence the apartheid regime by applying non-gold sanctions, the stronger the regime would have become.

I believed that even the threat of a gold sanction would have seriously scared the apartheid regime but I needed the Anti-Apartheid movement understand how a sanction on South African gold could work. I put my idea to my friend and publishing editor Ethel de Keyser who had been executive secretary of AAM and had close ties with the African National Congress.

Ethel argued my case behind the scenes and managed to arrange for myself and fellow gold sanction enthusiast, Ian Lepper, a series of meetings with AAM and ANC decision-makers. And the real breakthrough came with a meeting with Rev. David Haslam who had spearheaded the Barclays Bank Campaign and had formed into a group called ELTSA, End Loans to Southern Africa. ELTSA had pioneered an extremely effective form of anti-apartheid protest which involved its members buying a single share in banks doing business with South Africa. The purchase of the share entitled them to attend the bank's Annual General Meetings.

At that time the South African mining houses bankrolled a secretive organisation called the World Gold Council. This organisation claimed to count about fifty non-South African gold mining companies as members. They promoted the use of gold through a sixty million dollar advertising budget which took care never to mention the main source of the yellow metal.

ELTSA agreed to help me set up a gold sanctions campaign and David Haslam suggested a nice, provocative name for it - The World Gold Commission.

ELTSA were officially affiliated to the Anti-Apartheid Movement and were very well respected by the ANC. I needed to make sure that anti-apartheid organisations in South Africa approved of our efforts to target gold. It could have been argued that a gold sanction might cause the loss of hundreds of thousands of mining jobs. The ANC and the South African trades unions recognised, however, that apartheid could not survive a gold sanction and that a new government would have to keep the mines running. They quickly gave their support.

A couple of weeks after setting up the Commission, AAM decided to support gold sanctions. This enabled us to write to every other anti-apartheid movement in the world explaining our objectives. Within a couple of months we had more organisations involved in the campaign than the South African-run World Gold Council had members. Under the auspices of ELTSA I applied to the UN Centre on Apartheid for funding and quickly received $10,000 to run the campaign.

Our first job was to try to find out exactly where South African gold was going. This turned out to be much more interesting than we at first imagined. Records of gold sales from South Africa were a national secret. We knew that Switzerland acted as a major clearing-house for the world's gold business but Switzerland was just as secretive about its international gold transactions as South Africa. We decided to start our investigations by looking at the jewellery industry.

Italy used more gold for this purpose than any other country - about 400 tons a year - the equivalent of two-thirds of South Africa production. The Italian Anti-Apartheid Movement invited me to Rome and introduced me to the Foreign Relations Departments of the three Italian Trades Union Confederations, CGIL, CSIL and UIL who had joined forces to oppose Italian links with South Africa.

Most Italian jewellery is produced in the north of the country, especially around the town of Vicenza. I imagined that it was produced in hundreds of tiny workshops but most Italian gold jewellery is produced on an industrial scale these days. Ingots of gold are dropped into massive machines and gold chains are squirted out of the other end by the mile.

The union bosses in Rome made arrangements for me to meet the local union branch of CGIL, the largest of the three confederations, in Vicenza. They arranged for me to talk to mass meetings at the factory gates of the biggest jewellery factories and fixed up more informal meetings with union members from the industry and the banks that supplied them with gold.

Almost all the gold they saw was stamped with the Rand Refinery insignia. It was purchased from the select group of Italian banks authorised by the government to trade in gold. But, according to official trade figures, Italy bought very little gold from South Africa. Almost all of the four hundred tons of gold imports used in the Italian jewellery industry were described as being of Swiss origin which was a little odd given that there are no gold mines in Switzerland. Four hundred tons of gold was worth at that time about five billion dollars. If Italy had imported it all directly from South Africa, it would have made them the largest importer of South African goods in the world.

The Italian bank workers found out that their banks bought the gold mainly from Swiss banks located in Ticino, the Italian-speaking canton of Switzerland. CGIL was pleased enough to be involved with a project to uncover its government's links with apartheid.

Any Swiss citizens who object to the vast wealth the country creates for itself by financing the world's more dubious people and countries have to be well-organised. I had been put in touch with a group activist economists calling itself Action on Third World Finance. They worked on a budget of enthusiasm and thin air but their thorough professionalism had earned them a great deal of respect from enemies and friends alike. They quickly found out that South African gold arrived on both South African Airways and Swiss Air flights direct from Johannesburg to Geneva and was then stored in transit warehouses before being flown to other destinations. This meant that the gold never officially entered Swiss territory.

We were beginning to see a picture emerge but many questions remained unanswered. After being purified at the Rand Refinery most South African gold was flown to Geneva before being taken to the huge jewellery factories in Northern Italy. But why did the Italians almost exclusively take South African gold? Why not Russian gold or gold from Australia, Ghana, Canada, the Philippines or from any of the scores of other gold-producing countries? Why take new gold when there were thousands of tons of old gold stored in Switzerland alone? Why did the Italian banks buy the gold from Swiss banks based in Ticino rather than directly from the South African Reserve Bank? And why wasn't the gold flown directly to Italy? Could it be something to do with the fact that the World Gold Council had its headquarters in Geneva and one of its largest offices in Milan? Where were we to find the answers?

The Swiss churches tried to raise the issue with the banks but were ignored. My Swiss friends introduced me to a couple of Socialist MPs who arranged for me to give a paper on the subject to a group of about thirty MPs in the Swiss Parliament building in Bern. Full details of the meeting were covered in all the main Swiss newspapers. Soon afterwards I was summoned to meet a Dr Othmar Wyss, from the Swiss Economics Ministry. He told me that the gold coming through Geneva didn't officially enter Switzerland and was, therefore, nothing to do with the Swiss government. I asked him if the same would be true if arms or drug dealers used Geneva in the same way. 'Ah, this would be a different matter,' he said.

The Italians, meanwhile were going great guns. In November 1988 they invited me back to Vicenza to meet the bosses of the main jewellery factory owners' confederations - all sharp silk suits and tinted glasses. The mood was very tense and I didn't fully understand what was happening but the union bosses looked pleased. To hammer home the message they invited Oliver Tambo, then President of the African National Congress to the Vicenzaoro, the glitzy annual exhibition of the jewellery industry, a couple of months later. The manufacturers were in a bit of a panic wondering how to respond to him as he toured the stands and affably praised their egregious merchandise. I talked to him afterwards and he seemed delighted with our campaign although he had only heard about it a few hours before his arrival in Vicenza.

Soon afterwards the factory owners announced that they had never particularly wanted South African gold and, from then on, they would ask their banks to supply them with gold from other countries instead.

The revelation that Italy, rather than Germany, Britain or the USA was the biggest single trading partner of South Africa came as an unpleasant embarrassment to the Italian Government and the jewellers' announcement was a big relief for them.

We had achieved our objective in Itally at least, but many of our questions still remained unanswered. The unions believed that the Italian gold industry had a deal with the Swiss banks to invoice them for the gold at above the market price and to put the difference in secret Swiss bank accounts. This had the effect of reducing the profits they declared in Italy thus reducing their tax bills. It would also have the effect of reducing workers wage claims if the workers could be convinced that profits were only moderate. As far as I know the practice still goes on and will continue to do so until governments do something about trading with secretive tax-haven countries like Switzerland.

Our next target was the USA not because of the extent of their gold trade with South Africa but because they had the most effective trade sanctions policy of any large, industrial country. In Britain, by contrast, Margaret Thatcher was describing Nelson Mandela as a terrorist and most of us believed there was considerable co-operation between the military, secret service and central banks of the two countries right up to the time Mandela became President.

I was approached by John Lind from a small US church group who were campaigning for corporate responsibility in the US. He offered to draft a bill designed to block imports of South African gold into the US which he could send to a friendly congressman.

A little later I went to New York and Washington to try to drum up some enthusiasm for the gold sanctions idea. The UN Centre on Apartheid seemed very impressed with our work in Italy and gave us another US$ 10,000. John Lind had arranged to contact advisors to progressive congressmen to see what could be done.

Edward Kennedy, together with three other senators, Alan Cranston, Al Gore, later to be Vice President of the US, and Paul Simon (not the singer) co-sponsored something called a 'Sense of Congress'. I never did find out exactly what this means constitutionally, but the Congress has the option to investigate the grounds for a change in legislation by causing one of the executive-controlled bodies to study the point at issue. A few weeks after returning to London I received a call from one Ivan Eland of the US General Accounting Office. He told me that he would be leading a team of officers to Europe to examine the feasibility of imposing sanctions on South African gold. They would be questioning the five

City of London firms that fix the gold price and would be visiting Italy to investigate the use of South African gold in the jewellery industry. Would I be prepared to give evidence to them? I cannot deny that I felt pretty chuffed but even better news was to come. A couple of months later the GAO asked me to return to Washington to talk to them about some of their findings.

I could never quite believe that the US would accept the case for a gold sanction. Too many powerful people had an interest in leaving the gold market alone. I assumed that I would be in for some heavy mauling and gritted my teeth for the onslaught. During their investigation, however, the grey suited officers of the GAO had closely scrutinised the existing legislation - notably the Comprehensive Anti-Apartheid Act.

Section 303(a) of the Act stated:-

“Notwithstanding any other provision of law, no article which is grown, produced, manufactured by, marketed, or otherwise exported by a parastatal organisation of South Africa may be imported into the United States.”

Since, according to South African law, gold can only be marketed by the Reserve Bank - a parastatal organisation - imports of South African gold into the United States had been automatically banned since 2nd October 1986 but until then nobody had known about it or acted on it.

On 17th August 1989, under the headline ‘US imposes ban on S African gold’ the London Metal Bulletin opined - ‘At present the USA imports about 30 tons per year of South African gold or about 5% of its total exports. However, this ban could have a much more far-reaching effect on South African gold sales because speculators buying gold will be much more reluctant to touch South African material which might have a block on it.’

About that time the US House of Representatives passed a proposal to make it possible to take action against any country which contravened the USA’s own anti-apartheid laws. Had the proposal become law the US would have only allowed jewellery into the US which could be proved to have been made from non-South African gold.

In February 1990 Nelson Mandela was released from prison but the Nationalist Government showed no signs of relinquishing power and the need for sanctions remained.

Since early 1988 we had mounted a campaign to persuade a chain of British jewellery stores called Ratners to stop selling jewellery made from South African gold. They had claimed that they had no control over the gold their suppliers used and hoped we would go away. Ratners, and the other companies they owned, sold about a third of all gold jewellery in Britain at the junk end of the market. We were quite certain that they were such huge buyers of jewellery that their suppliers could not have refused their request to get their gold from somewhere other than South Africa. After all, all gold, wherever it came from, cost the same price. We, therefore, decided to picket as many of their stores as possible.

Most Saturdays would see a bedraggled bunch of ELTSA supporters, mostly called Dave (Dave Haslam, Dave Kenvyn and Dave Craine) together with Hugo Burdick, Cos Desmond, Chris Burford and me standing about in the rain outside Ratners shops in the West End of London holding placards, passing out leaflets and shouting slogans. During the pickets very few people bothered to buy anything from the shops. The shop assistants would always called the police but, as we weren’t breaking the law, they couldn’t do much. Bernie Grant, the MP for Tottenham, joined us on one picket. We would often get coverage in a national or local newspaper and, eventually our action began to seriously rankle Ratners bosses.

We had bought a single Ratners share in order to question them at their AGM. Hugo Burdick met the Chairman of the group, Gerald Ratner, there in May 1990 and Ratner suggested that we meet. They wanted to see me alone at a small Hotel in Hartfordshire just off the M1. I was to meet Victor Ratner, the Deputy Chairman, and Simon de Mille, their smoothy talking Marketing Director. They turned up late looking very annoyed.

They must have assumed that I knew nothing about gold. They said that they did buy gold bullion 'for hedging purposes' but none of the bullion bars they bought were marked in any way. I told them that no gold bullion could be legally sold through the market without being meticulously marked. They had to admit that neither of them had ever actually seen one of them. They told me that most of the gold jewellery they bought was from Italy and that the Italians bought gold from all over the world. Luckily, I had a copy of the GAO report with me and could show them that their investigation had proved that 91% of all gold coming into Italy had been South African and that, although we were working to change that state of affairs, they could help by insisting that their suppliers get their gold from a non-South African source. I said it wouldn't cost them a penny.

They looked at each other, shrugged their shoulders and sighed. Several other meetings were arranged with de Mille at my house and at their advertising agency, Saatchi & Saatchi, who were also advertising agents for the Conservative Party.

On 6th July 1990 Ratners announced that they were writing to all their suppliers to tell them to stop using South African gold. They handed us a list of all their suppliers and allowed us to monitor their compliance.

We realised that although we could ask jewellery companies to stop using South African gold we could not prove absolutely that any gold item was untainted by apartheid unless we bought some gold from another country and got someone to make jewellery from it. Eventually I managed to get some gold from Mexico and found a couple of London companies, Blundles in Soho and Lawson Ward & Gammage in Clerkenwell, to turn our gold into wedding rings.

At the beginning of the campaign we were told, especially by the South African newspapers and economic journals that we were wasting our time. But I think we proved that a gold sanction could have been imposed. If leading industrial countries had done this and released gold from their deposits to compensate for the lack of new South African gold. The gold market would have had to make certain that no smuggled South African gold reached the market. The South Africans might have succeeded in selling a few tons to tin-pot countries as scrap but any significant tonnage would have quickly been identified and been declared worthless if it could not be bought or sold by the world's main gold traders.

In the end South Africa had to chose between apartheid and penury. The idea that a gold sanction could have worked, I think, had something to do with that decision.

Peter Robbins 2014