



The Most Secure
Building on the Planet!

Fort Knox, America's Treasure Chest



It is a top-secret fortress. In fact, its very secrecy has captured the public's imagination. Only once in history were cameras allowed inside to show the world its treasures. Locked inside its vault is \$200 billion worth of solid gold. It is secured by 30,000 soldiers and hundreds of advanced tanks. The building—and especially the vault beneath it—is constructed of such robust materials and protected by such advanced security measures that it is literally impenetrable. Welcome to Fort Knox, America's treasure chest.

• *Shimon Rosenberg*



There is good reason to take security to an extreme at Fort Knox. Stored in the underground vault of the gold depository are 5,000 tons of gold bars—equaling 2.5% of all of the gold ever mined in the history of the world! At present there are 147.3 million troy ounces of gold held there. Their value on the open market as of this writing (with gold down to \$1355.50 per ounce) would equal \$200 billion.

To begin with, the entire base is under heavy military guard. If that is not enough, the underground vault is closed with a 250-ton door that no bomb is capable of blasting through. Of course, one first has to pass through extreme security measures protecting the door, 99% of which are strict national secrets.

It is interesting that the vault in Fort Knox is not even the US government's largest vault. The underground chamber at the Federal Reserve Bank in New York holds 7,000 tons of gold bars. Some of that gold belongs to foreign governments, their central banks or international organizations. There are several other locations where the US government stores its gold, but after the Federal Reserve Bank, Fort Knox is the largest.

The vault at Fort Knox is over 75 years old. In 1936, the federal government recognized the need to build a heavily protected vault to store its vast collection of gold bars. Toward that end it was decided that a vault would be built within an army base, so the gold would be protected even against an invading army.

Just three years earlier, in 1933, President Franklin Roosevelt had signed Executive Order 6102 making it illegal for Americans to use gold coins, bullion or certificates for transactions. Private citizens who owned such forms of gold were required to sell them to the Treasury Department, which would pay for them in banknotes.

This unusual order was part of Roosevelt's plan to fight the Great Depression. The administration explained that people were hoarding gold and



Postcard from the early years of the Fort Knox depository.

thus stunting the nation's economic growth. By exchanging their gold for banknotes, people were much more likely to spend some of their savings, and this would trigger increased economic activity. That order remained in effect for several years.

The executive order made the US government the sudden and proud owner of vast stores of gold. In just four years, from 1933 to 1937, the Treasury's gold collection tripled from \$4 billion to \$12 billion. Such incredible wealth obviously needed to be well protected. It was not enough to keep it in different government-secured buildings across the country. The best way to protect it was to deposit it in a single location so that all of the nation's best security measures could be focused upon it.

The Federal Reserve Bank, located in New York, was a possible choice. However, New York was built on a harbor that forms the eastern entrance of the United States. People often pointed out that New York was occupied by the British during the Revolutionary War. If another country (e.g. Nazi Germany) would decide to invade the US, it would likely begin with New York. Then it would be easy to confiscate the treasure.

Due to these considerations, the Treasury Department decided in 1936 to construct the United States Bullion Depository, America's treasure chamber. They chose as a location Fort Knox, a 109,054-acre army base near Louisville, Kentucky. Fort Knox was built during World War I as an army training camp and school. An area within the fort was transferred from the army to

the Treasury Department for the purpose of building the vault.

There were a number of factors contributing to the choice of Fort Knox. The nearby Allegheny Mountains form a natural barrier to the east, helping protect the base from invasion. Also, the inland location placed the nation's gold 600 miles from the nearest coastline (previous locations were all along the eastern and western coasts). Moreover, the large military presence would deter both thieves and organized armies from attempting to reach the gold reserves by force.

The cost of building the depository was \$560,000 (worth \$9 million today). Workers used 16,000 cubic feet of granite, 4,200 cubic feet of cement and 1,420 tons of steel to create one of the mightiest bunkers the world has ever seen.

Gold Arrives at Its New Home

In January 1937 the gold transports began. Gold that had been stored at temporary locations around America was transported by train under heavy guard to Louisville. This was a tremendous logistical undertaking: 368,000 bars of gold had to be transported from places such as New York and Philadelphia to Fort Knox, and it had to be done in a secure manner.

Surprisingly, most of the gold was delivered by the postal service, guarded by postal police and Treasury agents. Four different railroad companies used a total of 552 train cars to accomplish this historical mission. Trains began to arrive every day from all over the country. Extreme caution was taken that all details of the transports remained secret. Nobody wanted organized crime to learn which trains carrying gold bullion would be passing where and when.

Each delivery was greeted at the train station by heavily armed units. The shipments were loaded onto armored military trucks and then driven under military guard to the fort. There the trucks were unloaded and the gold was stored in the underground depository chamber.



Military base at Fort Knox.



Military exercises at Fort Knox.



The Allegheny Mountains to the east form a natural barrier that protects Fort Knox against invasion.

The very first transport delivered \$100 million worth of gold from Philadelphia. The Treasury Department hired local youths from Louisville to unload the trucks when they arrived. The work went on virtually unabated for the next six months.

Heavy flooding that affected the region

