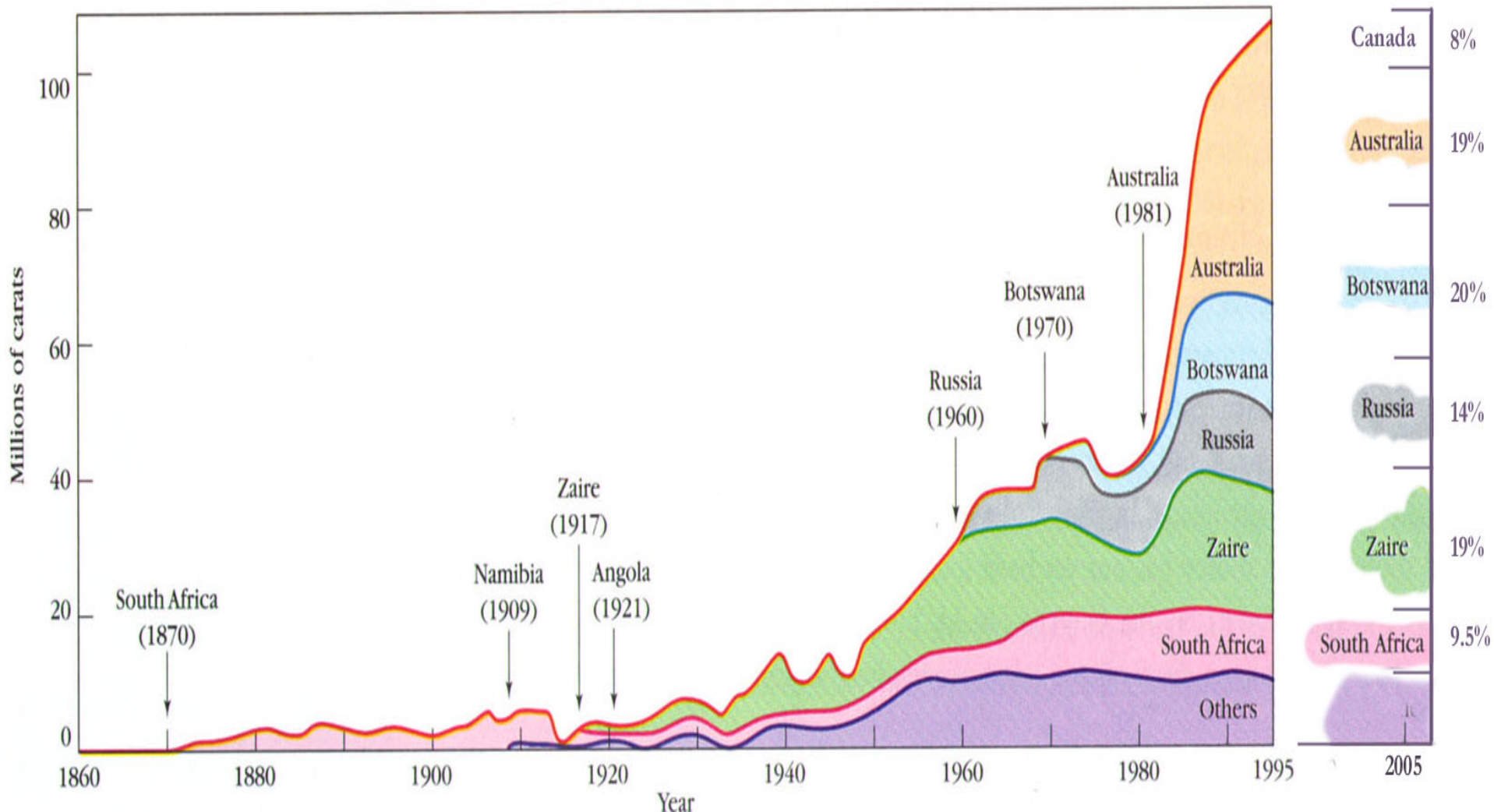


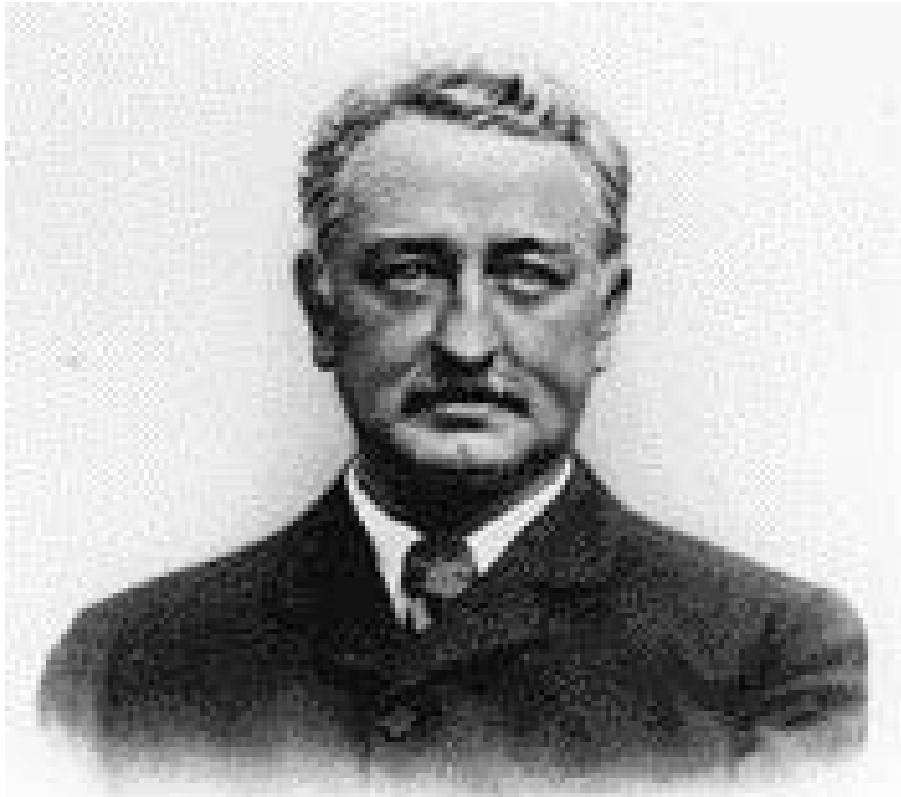
The Early History of diamonds

- India-the first source-Alluvial Supplied diamonds from 300 BC till 1700s
- Brazil-takes over just as supplies in India dwindle. Also alluvial. 1730-1870.
- South Africa takes over in about 1866. First diamondiferous pipes. Kimberley and De Beers Mines. Also alluvial diamonds

Where diamonds come from today



Cecil John Rhodes



C. J. Rhodes



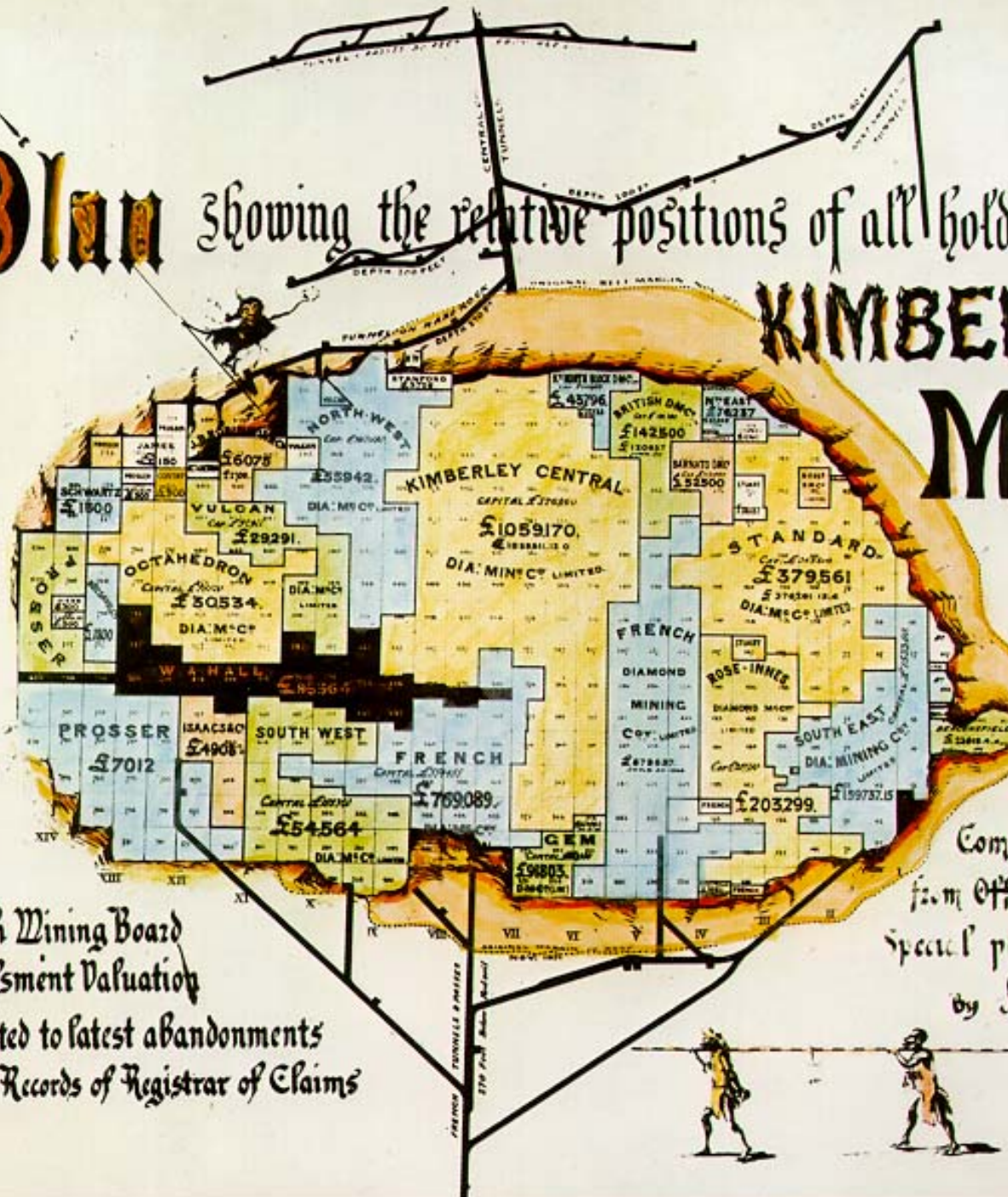
Rhodes Scholars

- The **Rhodes Scholarships** honor [Cecil John Rhodes](#)
- Awarded to applicants annually since [1902](#)
- [Oxford](#)-based Rhodes Trust, on the basis of academic qualities as well as those of character.
- Provide the two years of study at the [University of Oxford](#) in [England](#), possibly extended for a third year.
- When Rhodes died in [1902](#), the scholarships was worth £300 & rewarded those applicants who exhibited worthy qualities of intellect, character, and physical ability.

June 30
1883

With Mining Board
Assessment Valuation
corrected to latest abandonments
as per Records of Registrar of Claims

Compiled and Drawn
from Official Records by
Special permission
by Ridger Tucker.



Barney Barnato (Barnett Isaacs)



- Born 4 July 1852
- Owner Kimberley Central mine
- Both Rhodes and Barnato tried to dominate the diamond production by buying up all the shares that came onto the market.
- Suicide July 4, 1897

Making De Beers

- In the 1870s and 1880s Kimberley, encompassing the mines that produced 95% of the world's diamonds, was home to great wealth and fierce rivalries, most notably that between Rhodes and Barnato, English immigrants who consolidated early 31-foot-square prospects into ever larger holdings and mining companies. In 1888, Rhodes prevailed and merged the holdings of both men into De Beers Consolidated Mines Ltd., a company that is still synonymous with diamonds

The big check



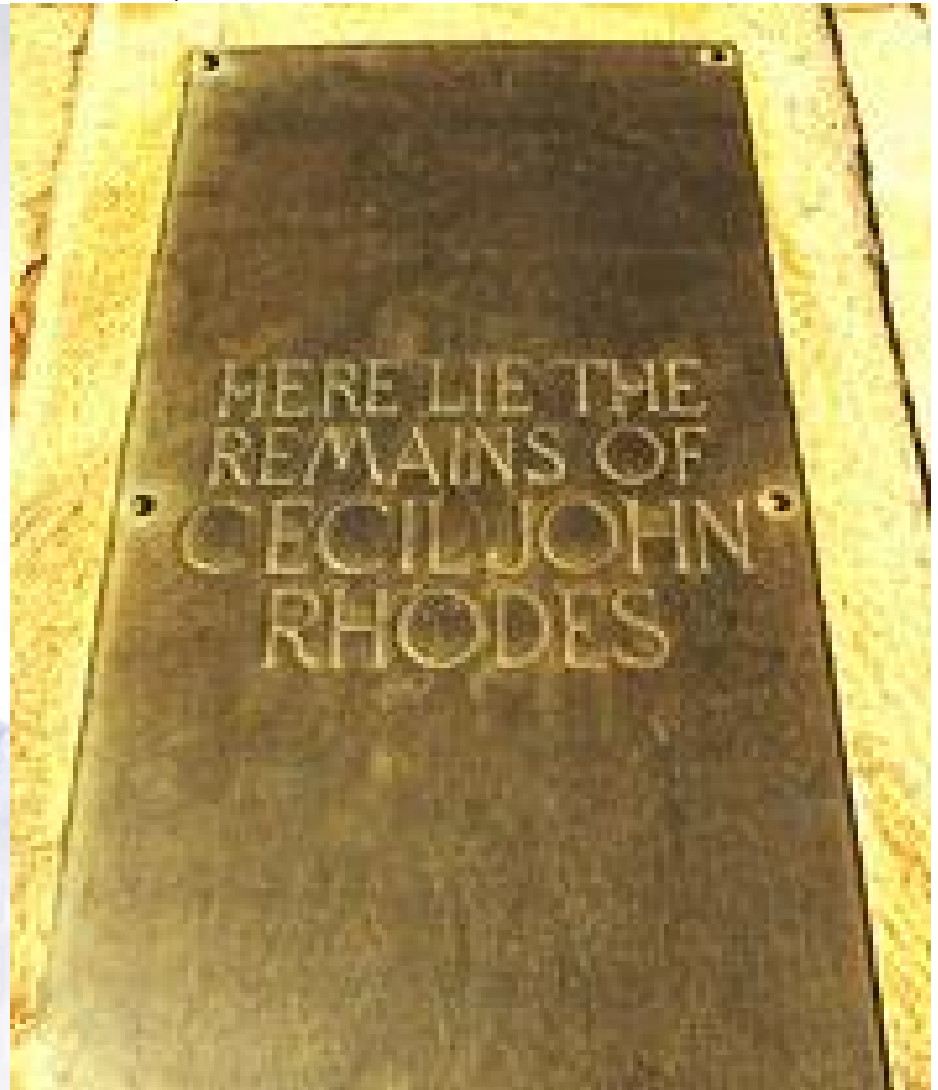
Rhodes Makes De Beers

- De Beers Consolidated Mines Ltd. by promising to make him one of the four life-governors, by arranging for him to be elected as a member of the Cape Assembly, and by procuring him membership to the exclusive Kimberley Club. Rhodes paid £5,38,650 for the Kimberley Central Diamond Mining Company: four million went into the pockets of the Barnato Brothers and Barney became Kimberley's MP in the Cape Parliament from 1889 to 1897

Rhodes Memorial



Rhodes Colossus. His famous last words, "So little done, so much to do."



The modern system



- Ernest Oppenheimer
- Chairman of De Beers
- Creator of the syndicate
- Helped create De Beers monopoly and control of the diamond market

Sir Ernest Oppenheimer

- Diamond, gold mining and financial entrepreneur, and founder of the Anglo-American Corporation of South Africa with financial assistance from J. P. Morgan.
- Born on 22 May 1880 in Friedberg, Germany. He was the son of a cigar merchant.
- AT 17yrs old, started with Dunkelsbuhler & Company, a diamond brokerage in London.
- He was sent to South Africa to represent the company as a buyer in Kimberley.

Long live the King 1880-1956

- Oppenheimer became chairman of De Beers in 1930 & was instrumental in creating a cartel that eventually controlled diamond prices.
- Oppenheimer formed the Central Selling Organization (CSO), effectively incorporating other major sellers and producers into the De Beers syndicate.
- In 1955 Sir Ernest Oppenheimer's health failed and he died the following year. He left his entire fortune to his only surviving son Harry who followed in his father's footsteps.

Ernest Oppenheimer's Legacy

- A stable market for diamond prices
- The syndicate:
 - buys diamonds that came on the market to avoid a glut
 - controls distribution
 - holds surplus
 - keeps people employed

King of Diamond II

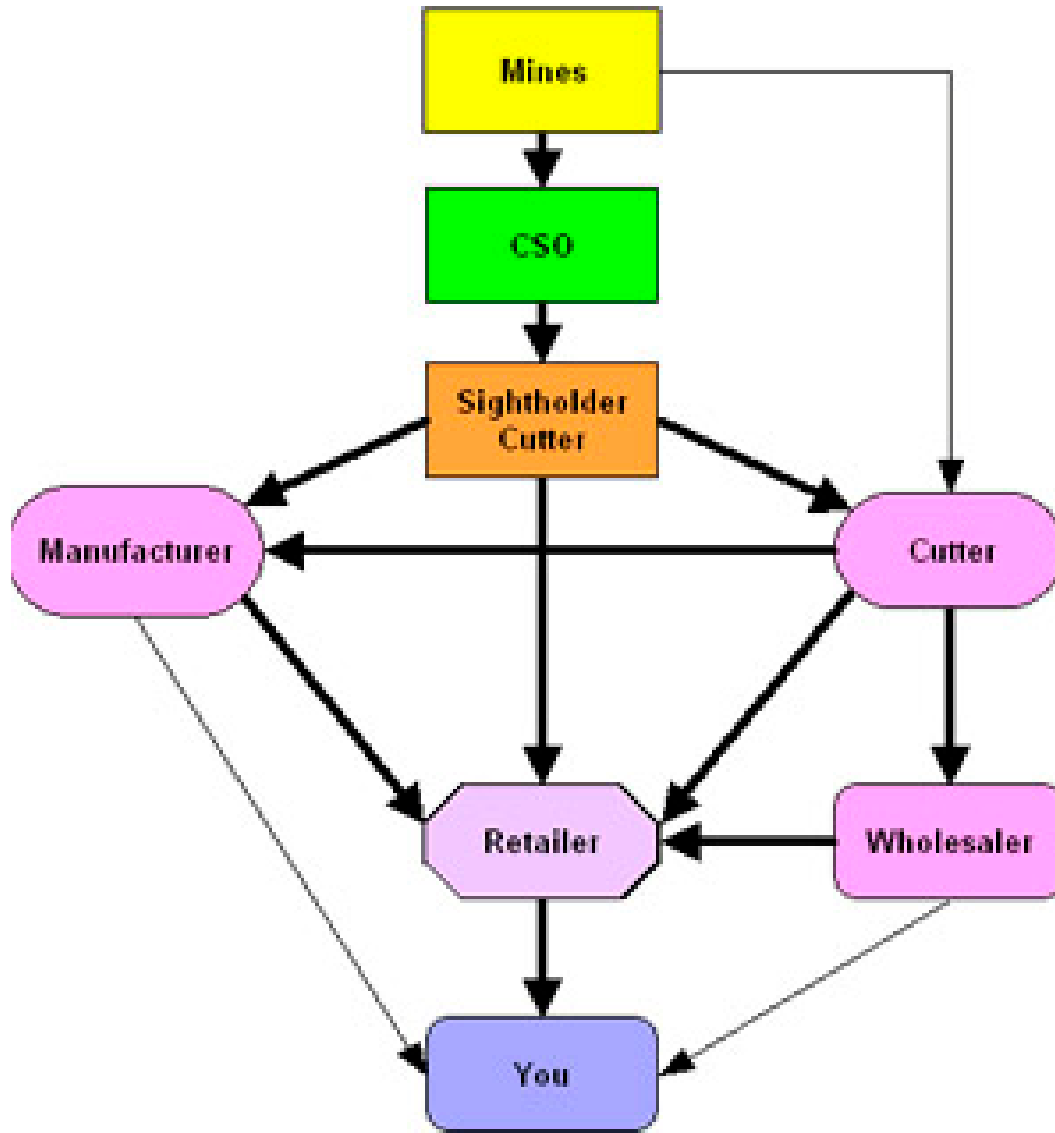


- Harry Frederick Oppenheimer
- Oct. 28, 1908-Aug. 19, 2000
- Chairman of De Beers
- Age: 91
- South African industrialist, known as the “king of diamonds,” presided over a vast empire that included De Beers Consolidated Mines and banking, real estate, and beer companies.
- He was an outspoken critic of apartheid.
- Died: Johannesburg,



- Harry's House in S. Africa

Diamond flow today



- CSO = centrals
Selling Organization

Diamond exchange (aka a bourse) in Antwerp



