**Episode 5:The Diamond’s Mine**

Z: This is Nula. She has a very particular and to some it might be familiar history with diamonds.

Nula: Hi, I'm Nula. And this is my story about diamonds. My relationship with diamonds is intimately linked with my relationship to womanhood and femininity, or my perceived idea of what womanhood and femininity are, for as long as I can remember the women that I deeply admired, growing up the women that I was surrounded by, wore big diamond rings, and big diamond earrings, and often big crosses with diamonds around their necks. And so when I was 16, or 17 years old, I got it into my head that when I would turn 18, and graduate from high school, I graduated from high school a little bit before I turned 18. But I decided that around that time of my life, I was going to become an adult. Specifically, I was going to become an adult woman. And in order to perform that well, and look the part I needed to have diamonds.

And diamonds weren’t just about diamonds, diamonds were beauty, and a very specific type of beauty that can really only come with wealth, and with status. So performing the beautiful, perfect woman was an obsession of mine. And so to enter into that role, I wanted and needed diamonds. And that is what I asked for. For my high school graduation, I asked for my first pair of diamond earrings. And I also asked for rhinoplasty, a nose job, because I desperately wanted to be pretty. And I was sure that even though I was eating just one meal a day, and even though I was working out all the time, and even though I was wearing the right clothes, and straightening my hair and putting on all of this makeup, and doing all of the things to look like the women around me. I just couldn't be pretty with the nose that I had, I had a bump. And it was big.

These were the stories that I told myself at least. And so a nose job and diamond earrings it was. And I remember when I was 17 going into the plastic surgeon's office and seeing on his desk pictures of the Kardashians. And this was a fancy schmancy plastic surgeon's view looking out over Central Park in Manhattan. And I asked him if he had worked on the Kardashians. And that's what it's called, it's being worked on. You don't just get plastic surgery, you get work done. And he told me that he couldn't answer. But he winked and said, 'Why do you think I would keep their pictures in my office?'

And I assumed from that, that he had, in fact, worked on the Kardashians, which was further encouragement for my cause. He could make me beautiful. And therefore my life would get better and I would be happy and people would love me and I would feel good. And when I would wear my soon to come diamond earrings, they would frame a pretty face. So I chose him as my surgeon and went through with that process. It was the most excruciating pain of my entire life. And about a month of recovery in bed, bandages, gory gruesomeness and just sitting there wondering what I had done to myself while the rest of my friends were finishing up their senior year I took almost a month off of school to get work done. And I remember my 18th birthday. I got my hair blown out. I was about two months post surgery. So the face swelling had finally started to go down. I wasn't bruised anymore.

And I got my hair done and I put on a dress and heels and my new diamond earrings and I went out with my best friend. And he went to the fanciest sushi bar and club that we knew of. And we stayed out for about an hour. And this was in London. We stayed out for about an hour, and then promptly went home, found a bar around the corner. This really like a cozy cheap pub, curled up in a booth called my mom to come join us and share a beer. I drink a sip. I don't particularly like to drink.

And I curled up in bed after, content and confused because the best part of my night had been the connections that I shared. And the times where I wasn't thinking about how I looked. The best parts of my night were the parts where I was wearing clothes that were comfortable. The best parts of my night were the moments where I felt no pain in my face because the pain of the surgery lingered for quite a long time. And the best part of my night was when I took off my diamond earrings and curled up in bed next to my best friend for a sweet sleep over. And that's my story of rhinoplasty and diamonds.

CHAPTER 1: A BEAUTY SALON IN HONG KONG

Kwun Tong is an industrial district in Hong Kong that has been expanding in recent years to meet the demands of Hong Kong’s increasing population density. You can easily see the culture of both old and new Hong Kong - discoloured apartment buildings with rows upon rows of air conditioner units beside laundry hung out to dry, as well as shiny chrome and stone skyscrapers. Trash is still collected by hand-pushed trolley, and there are brightly lit, 24-hour malls to cater to Hong Kong’s ever-diminishing need for sleep. The very particular smells of chinese medicine mix with scents from perfume shops, and I always found it this kind of incredible feat of inefficiency engineering that in the height of Hong Kong’s sweltering summers, the new buildings blast a wall of air conditioning out of their wide open entryways.

The streets of Kwun Tong are quite an assault on the senses. They’re so busy-filled with people shopping, pushing carts or handing out flyers, or just going to and from work and school. They’re busy to look at - there’s constantly some portion of the buildings covered with bamboo scaffolding, and the multi-storey buildings mean that all the businesses contained within fight for advertising space on the ground floor.

Tucked away in plain sight on a street in this microcosm of Hong Kong’s metropolis, is a beauty salon. And one day in mid-2019, a woman wanders in and asks for a blow-dry.

Hong Kong’s official languages being English, Cantonese and Mandarin means that its residents are almost always prepared to accommodate tourists, and through a thin language barrier she chats with the salon attendants. As she’s getting her hair done, she chats with the salon attendants.

Her daughter lives here in Hong Kong, she tells them. Yes, even though she misses her daughter, she’s so proud of her success in the diamond business. She owns her own diamond business, right here in Hong Kong, yes! She sells diamonds to people from all over the world.

The woman’s hair is finished, and she thanks her stylist, pays and leaves a tip. She walks out into Hong Kong’s midday heat, as Tiffany Yan-Yee Wong remains in the salon, unable to keep herself from forming a plan.

CHAPTER 2: WE HAVE THE DIAMOND + Lisa Story

Z: At this point in the story, Sally has finally had a response from the Gemological institute of America, saying that it’s not only her that’s claimed the diamond was stolen from her. They give her the details of a woman named Lisa, and tell them that they have to figure it out between them. Lisa tells Sally in an email, in no uncertain terms, that the diamond was in fact stolen from her.

Sally: That doesn’t make any sense? It’s weird and I forwarded the email to George and I’m like George, what's this? Like what is she talking about? This is really weird. And he said, Yeah, hang on. That is weird. So then I said, I wrote back to Lisa and I said Lisa, what's your number? Let's have a call. And I said, Lisa, Tiffany is this woman that came to my office and she posed as a real customer and she ended up stealing the diamonds from us with a fraudulent check. And she said that's exactly what happened to me. Like When did it happen to you? And she said like mid October. I’m like Oh my god. Are you serious? She said, Yeah, she said, I was like, Oh my god, we've got to get together and work out what's happened. So we made an arrangement to meet and we met at this Hong Kong club that's on Queens Road that her family are a member of.

And her parents were there, and Shane came with me. So the five of us met together. And she told me the story, she said that her mom went to this beauty salon, and was telling the therapist about how her daughter is a diamond dealer in Hong Kong and sells all these beautiful diamonds. And you know, she's gushing about how proud she is of a daughter. And the therapist is obviously taking all of this in. And then Tiffany goes in front, stops at Lisa's diamond shop, and pretends to be a person looking for a five carat diamond. And Lisa finds one and then sells her this diamond. And she did the exact same thing as she did to us: she gave Lisa a fraudulent check. Or so it was different actually, because she told us that she'd done a cash transfer at the bank, but she'd actually given Lisa a fraudulent check. You know, she was like, I'm so stupid.

You know, I can't believe we did this. We gave her the diamonds without waiting for the cheque to clear, which was really silly and foolish. And I’m oh my god. So what happened then, once she found out that the money had been cleared, and she said she contacted the police. And the police found Tiffany in hospital. And she said that Tiffany seemed like this really sweet lady like she said that she couldn't believe that she'd been capable of committing such a crime. So when they found out where she was they went and visited her in hospital. And Tiffany had apparently tried to harm herself. That's what got her into the hospital. And I think it was like trying to flush her wrist or something. And when they saw her hospital, she was very apologetic and told Lisa that she will get her money and don't worry, everything's gonna be fine. She's gonna get the money. Tiffany then deposited $200,000 into Lisa's account. So, Lisa is like, Okay, fine. As long as you send the money we’ll keep the police away from you.

Z : Just to recap here. Lisa’s mum was in a beauty salon in Kwun Tong, bragging about her daughter owning a successful jewellery business to the beauty therapists.

Tiffany managed a beauty salon in Yuen long, and soon after approached Lisa, stole the diamond using a fraudulent check, before attempting to take her own life and ending up in hospital. Lisa found her in hospital and they came to the exact same agreement that she would come to later with Sally. Keep paying back the money and I’ll keep the police away from you.

Z: So both Sally and Lisa fell for the same lie. Here’s Drs Shiloh and Scott with some thoughts on lying.

Shiloh: Research shows time after time that we are terrible at knowing when someone is lying to us. We actually are pretty good at telling when someone is telling the truth. But flip that around and we, we are not great. It's right around chance 5050 if not less. And it doesn't matter if you have cops, or if you have teachers, you know, people that are around people all the time that you think a teacher would be able to tell when a kid is lying, right? Parents, college students, whoever we put in the lab and do research with. We're awful. We are just awful at telling when people are lying. And I think more contemporarily like there's all these little kitschy sort of articles of like, here's what to look for. And here's statement analysis. And here's analysis of body movements to tell when sorry –

Scott: Eye contact eye direction.

Shiloh: Yeah, there's so much out there that we start to hear that in just trending social media or articles, and we think we're gonna be good at it. And we want to think we are.

Scott: And also it's in popular media. I mean, there was a show. Oh, gosh, what was the one there was like, there was one that was basically –

 Shiloh: Lie to me.

Scott: That was on for like, three seasons, I think. And so in the popular culture, there is this promotion of the idea that there are some people that are really good at discerning whether or not someone is being truthful. And like Dr. Shiloh is saying, that's just not true. It's 5050. But the popular media wants to make it like it's a superpower. So it's sort of that exaggeration for popular culture In the same way that, you know, God help you. If you watch all six seasons of Dexter and you watch Criminal Minds. You think there's a serial killer literally on every corner of the world, when that's just not accurate, but it's the way it's portrayed in the media. And I think that one of the things is that kids don't necessarily actually plan to lie, it's just easier than telling the truth sometimes. And with teachers like, like Shiloh was saying, you would think that teachers would be expert at it. And in some domains, they probably are really good. And other times they fall completely flat. What we do know is that individuals who are lying, have to work really hard at keeping the lie consistent. And that's a very difficult thing to do. So if you're not an individual who falls prey to gaslighting, and you're able to turn to the person who like, wait, you told me something completely different last week, we had the conversation and you said A plus B equals C. And now you're – that kind of confrontation that shuts down the long term lie. But then again, since people are generally nice, we'll do these things where we shrug off like, Oh, well, maybe they're exaggerating, or Oh, maybe they you know, I don't want to embarrass them, when they may actually be lying for secondary gain, they may have a sort of a gaslighting plan. But then again, you know, us being generally altruistic as a race, we'll let those things slide.

Z: The private investigator had some more thoughts to share.

Private investigator: The way it had played out with Sally as well was that Tiffany was always in contact with Sally the whole time. And the way it played out was that she had been selling the diamonds on, over and over again to pay back the person before and before she was a serial criminal. She really was. So when I had introduced the lawyers to Sally, the lawyers came back and said that while we could not pursue an avenue against Tiffany who is effectively a convicted criminal, right, so she didn't have the millions of dollars to pay Sally back, there was a given. And the only way for her to do that was to scam the money from someone else to pay Sally back, however, the diamonds that she did take, I think she had then sold onto someone on the street or she had purchased it from someone in the industry. But whatever it was, those diamonds were procured by a company who should have known better. And when the lawyers had come back to us and said, Look, this is a situation we may not have a case against Tiffany, given that she won't be able to afford to pay us back, we may have a case against this company. So let's go and find out how much information we can get about this company. And hopefully we can pursue them instead. And so, Sally, and I didn't speak for a couple of months, after I'd handed over all the initial information, which I gave to her. But after several months, she came back with this extra new information from the lawyers who are trying to pursue this other company. And I was then tasked with finding out contact details for this fraudulent company, which I was able to obtain as well.

Z: Simon the diamond miner got into a situation where he nearly lost his life.

Simon: First they thought they found the diamonds in a rock machine was chopping up the rocks. There's two machines, one that chops big rocks, and there's one that splits into smaller rocks to chop them up into small pieces to push them down the conveyor belt, and they get pushed to the side and another machine that breaks into smaller bits just adjacent to the robot. You know I thought neat, clever, got so excited, they end up getting more late then usually they need that much later, but we need to know the machine giant, the big one. So I'll just remember the guy says when nothing chops, there is a switch on the top left you can see it as a big switch is flipped. So I'm excited when we learn this. So you find the rock with no time for me. I'm in excitement mode here. But somebody showed up today and jammed a rock in it. That's just a weak clip from this and I just clip it and push it back in. So I'm going to go and do that right.

The machine started off straight away and just hit my right leg. It was clear to my left hand moving the switch as moving away. So at this point late, I feel like war was pulling under my leg. That night, they made a makeshift carrier in the middle of two big sticks and they just put like leaves and sticks in between a stretcher. Cadbury got me to Roscoe but they took me to the hospital. But all comers pass a note breaking up in this hospital. No. And then the surgeon, he says people that come to do what you've come to do normally delete people like yourself just they would just leave you there. He says I don't know what offer you made to the chief. They, that they carried you all the way to the you know, for me to be alive that time here I got to thank that to my mom because she always says treat people that you'd want to be treated. So I thought no point me going to these poor people they take for their minerals and give them back, no peanuts. So apparently they are the guys that he sent, the surgeon says that the chief also saved the men from that village with you as well, which is no, normally they don't do that. So. So I was very lucky. Anyway, I thought about today, I've got a big strap around my leg, I've got a makeshift stick in my hand, about four or five days ago, let's get back to life as I cannot believe I should go back and get back to the site and start digging again.

Z: Hong Kong has a reputation as a very safe city. But Sally has a story about a diamond dealer that got very dangerous very fast.

Sally: So there are a lot of things that we do in the industry to safeguard our gems. First of all, we have insurance. So that should insure us for loss, theft and damage. Secondly, you know, we take precautions, with you know, security, cameras, all those sort of things. But it's very easy to get complacent. Because you forget about the value of the products that you're working with. And, you know, diamonds are such a condensed source of wealth and value. I mean, you can literally hold the value of a block of flats in your hand, isn't that amazing? In a single stone. Yes. So we take precautions, like I tend to not take any diamonds out of my office, I get my dealers to come here to deliver my diamonds to me. But on occasions, I do have to leave my office and I have insurance for that. And I'm cautious, you know, there's habits that I have to get into, to protect myself basically. And remember, not be too complacent about the value that I'm carrying.

I have a story actually about a dealer, one of my friends, and we became friends, one of our diamond dealers, we started playing tennis together, which is how we became mates. And he's a really prestigious diamond dealer as well and actually got a reputation for carrying a lot of value out on the street. And this is going back maybe 20 years ago in Hong Kong now, but he was targeted by a gang in Hong Kong. And he was attacked in broad daylight, about 12pm under the escalator on Queens road. And this group attacked him. And being an Israeli and an ex-army guy, his instinct was to fight back. And one of the guys pulled a knife on him and stabbed him. And he was able to grab the knife, stab the guy back, and then stabbed another guy who ended up being an undercover police officer that knew that the thing was going to happen, but couldn't do anything about it until there was actually an incident. He ended up getting stabbed himself. Luckily, at the time, he was quite overweight. He's lost a lot of weight since then. But he said it saved his life. So he got stabbed in the stomach and survived the wound.

And it was after hearing that story that I thought, wow, you know, like, we're in a serious industry, we can really get into trouble. So it was after hearing this story that I was quite careful about really never carrying diamonds outside my office and not getting a reputation for walking the streets carrying millions of dollars of diamonds. Other dealers do. And you'd be amazed actually, do you know how some of them walk around the streets of Hong Kong wearing millions of millions worth of diamonds and you'd never know because they're empty handed. They've got them strapped to their legs most commonly. So under the suit pants, they'll be carrying, like bags of diamonds.

Hi, Tiffany, are you able to make any more cash payment today? Please be reminded that I need daily transfers at least $100,000 per day and full payment by the 22nd of November. If I don't receive them, the police will have to get in the green light to go ahead and arrest you. You have got my promise that I will drop the charges once full payment is received.

Tiffany: Okay, thank you so much Sally. I received your message and I will keep my promise. I will update you when my friend deposits it to you this evening time.

S: Thank you.

T: Thanks.

S: Hi, Tiffany. What time can I expect your payment today?

T: Around seven.

S: Great, thank you. I'm waiting on your payments so I can pay one of my suppliers today.

 T: Yep, my friend is going to bank now. Done.

 S: Thank you, Tiffany. We're a team now we can do this. When everything is settled, I hope we can meet and I hope I can help you with your life goals.

 T: Thank you Sally. My friend also deposit the money in this evening time. And I will update to you later.

S: Please try for a larger amount this time. We are still over $2 million short.

T: Yep, I asked one friend to borrow 500,000 to me but she need pay me on next Monday.

 S: Okay, please try and pay 500,000 by Monday and then another 500,000 next Monday.

T: Yep. I'm just borrow from my friend around 600,000. More distance to the balance.

CHAPTER 3: LISA’S STORY

Sally: Once Tiffany was released from the hospital, she was looking for the exact same diamond and the diamonds are serialed with a GIA report number. So when she contacted us, she was looking for that specific diamond. Without saying that she was looking for this GIA report number, she gave the description of the stone, and there's not that many of them available in the market. So it was kind of not that much of a coincidence that my salesgirls were able to find the exact same diamond. We had reached out to one of our diamond dealers, and they'd found the stone. We told Tiffany Yep, we've got this diamond to show you. And we'd memoed that from our supplier to be able to show Tiffany.

Tiffany said yep, yep, great. That's the diamond that we want. And as soon as she had it, on the same day, we believe that she took it from us. She took it to Lisa and gave Lisa the diamond bag. So Lisa was like, great. all my problems have gone. I've got my diamond back. She gave Tiffany the money back that she received for the diamond. And she thought, great problem solved. But she still had this doubt like what if Tiffany has changed the diamond or something or there's something wrong with it? So she gave it to the GIA to be tested. And that's why the GIA had the stone.

So Lisa was the same as me. She's like, Why aren't the GIA telling me anything like they've got my stone and they won’t release it back to me. And they were just sitting on it waiting to sort of piece things together, and then introduce the two of us. So then I went back to my lawyer and I said, Okay, so what do we do now? And he said, Well, actually, because Lisa was the first victim of the crime, the title of ownership was never passed from her because Tiffany deceived her and stole the diamond from her. So the title of ownership actually never passed from Lisa, so we have to give them back to Lisa. In the meantime, though, Tiffany had paid us nearly 2 million Hong Kong dollars. $2 million we got out of her over the course of two to three weeks. She paid us so we're now into December, and she's paid us nearly $2 million.

Z: At this point in the story, I just have so many questions. First of all, by now we know that Tiffany had already been to prison for fraud, and for “false instruments”, meaning she had fake documents on her.

CHAPTER 4: A GAME OF MONOPOLY

During WWII, the world was acutely aware of the resources and raw materials that were needed to sustain a war. President Franklin D. Roosevelt ordered the purchase of a stockpile of industrial grade diamonds, which were needed for guidance systems and instruments in submarines and aeroplanes. De Beers resisted, knowing that a stockpile of diamonds in the United states would bring the price of industrial diamonds way down. After putting up a fight, Oppenheimer agreed to sell the War Production Board 14% of the six and a half million carats they had ordered. But the damage had already been done. De Beers found itself fighting an image of being a hoarding, anti-patriotic company that was sabotaging the war effort.

Antitrust legislation has existed in the United States for as long as corporations have been around. There was massive growth in business and industry in the US following the Civil War, and around this time, congress passed laws that were designed to protect US consumers by ensuring a free and competitive market. As a country that was founded on ideas of capitalism and the competition that arises when businesses are engaging in a free market, the US was naturally protective over its system of competitive enterprise.

The Sherman Act, which was passed on the second of July 1890 after two years of debate, became the single-most important piece of antitrust legislation in the United States. It was passed to prevent businesses gaining monopolies, or restraining trade by restricting competition. The Act prohibits any agreement by businesses to collude in raising or lowering prices or charging rigid, uniform prices. To put it another way, the Sherman Act prohibits price-fixing.

Can you see where I’m going with this? The prohibition of price fixing covers all markets, including the diamond market.

Remember — Ever since Cecil Rhodes took over the hundreds of small individual claims at South Africa’s first diamond mine, De Beers has been finding ways to control and monopolise the diamond industry.

They weren’t very subtle about this, and the US Justice department tried to prosecute De Beers in the mid-1940s for very clearly violating its antitrust laws. De Beers’s response was to completely pull out all operations from the United states, retreating back to South Africa.

But this, as we know, didn’t prevent De Beers from advertising in the US. And, since DeBeers had its grip solidly around the industry, controlling supply and prices, any sale of any diamond would, directly or indirectly, benefit De Beers.

CHAPTER 5: WHOSE DIAMOND IS IT?

Z: So we’re left with the question: who should the GIA legally release the diamond to? Both Sally and Lisa find themselves in debt for the same diamond, and the GIA has made it clear that the decision is up to the two of them.

Sally’s lawyer gives her the advice that, since it was originally in Lisa’s hands, and that ownership never officially left Lisa and passed to Tiffany, the diamond was never in fact Sally’s to sell, and therefore she was obliged to give the diamond back to lisa. So that’s what she did.

In the next episode, we’ll see just how deep this deceit goes — it extends further into the industry than Sally could imagine. The Dark triad is a particular organisation of the mind that allows someone to be a con artist, so we’ll hear about that, and the ownership of the diamond comes into question. Make sure you subscribe so that you can catch the next episode, when we will see the Plot Thicken.