

EIR Feature

Armand Hammer: Soviet 'fixer' from Lenin to the present

by Scott Thompson

Armand Hammer, the 87-year-old chief executive officer of Occidental Petroleum Corporation, was recently hailed by the editor of *Pravda* for his role in setting up the November summit meeting between President Reagan and General Secretary Gorbachov. Since his early-1920s cavorting about Soviet Russia with the blessings of V. I. Lenin, Hammer, the "maverick" billionaire, has been the principal "back channel" for American access to the top levels of the Kremlin hierarchy. Hammer, who purports to be the "first American capitalist" to have promoted business relations with the fledgling Bolshevik regime, has met on numerous occasions with every Soviet leader except Josef Stalin; he has had an "in" with every American President since Franklin Delano Roosevelt.

Yet, as this dossier will show—in part through the first-ever publication of recently declassified State Department documents—Hammer has for decades been an agent of Soviet influence, as was his father Julius before him, one of the founders of the Communist Party U.S.A. Armand Hammer is no "capitalist" in the progressive sense of American System economists Alexander Hamilton or Henry Carey; he is an agent of the cultish, oligarchical worldview, which seeks to divide the world along the lines of a "New Yalta" pact, into Western and Soviet Empires. Hammer's foolish promoters in the West, like Britain's Lord Carrington or Henry Kissinger's cohorts in the U.S. State Department, argue that the "New Yalta" game will allow crisis management within the bounds of the strategic doctrine of Mutual Assured Destruction (MAD), until the presumed inevitable "crumbling" of the Soviet Empire. The Soviet marshals, however, laugh silently as they watch the military and economic decline of the West, which they believe will deliver them the prize of world domination by approximately 1988.

Consider the benefit which Moscow gains from Hammer's most recent activities:

- The Soviet Union intends to use Hammer's Geneva summit to force President Reagan to bargain away the U.S. Strategic Defense Initiative for antiballistic missile defense.
- Hammer is playing a leading role in orchestrating the ongoing Soviet-Israeli



Armand Hammer and friends (clockwise, from lower left): V.I. Lenin, Leonid Brezhnev, Muammar Qaddafi. The lower right picture shows victims of Peru's Shining Path terrorist guerrillas. Hammer's Occidental Petroleum Corp. has been caught financing terrorism in Ibero-America.

rapprochement, part of a plan for a "New Yalta" settlement for the Mideast—which would effectively exclude the United States from the region.

- Well-informed Israeli intelligence sources report that Hammer is part of a bid in Israel to make Ariel Sharon, "the butcher of Lebanon," the uncrowned "King of Israel," crushing the Palestinians, Jordan, Egypt, and other moderate Arab regimes, in alliance with Soviet client-state Syria.

- Hammer's Occidental Petroleum Corp. is financing the narco-terrorist Ejercito Liberacion Nacional (ELN) in Colombia. Hammer hires the terrorists, pays their salaries, and calls it "protection" money.

- Hammer maintains ongoing ties with the outlaw regime of Libyan dictator Muammar Qaddafi, the principal funder of international terrorism.

- Hammer cultivates extensive contacts with organized crime circles, from the days of bootlegging during Prohibition, to the "new mafia." He is a leading dealer in the international art market, which one informed observer of Hammer's activities has called "even dirtier in terms of money-laundering potential than the narcotics trade."

Since President Reagan's first inauguration, the attitude of his administration toward "Hammer the Fixer" has been a schizophrenic one. A memorandum circulated in the Reagan White House in 1981, according to author Joseph FINDER, warning that Hammer "had been in his early days in the employ of the KGB." Yet, the Kissinger faction, represented by Secretary of State George Shultz has successfully swept

these warnings aside, and promoted Hammer's back-channel negotiations.

We examine now the dossier of this Russian agent's current manipulations.

The Soviet-Israeli deal

On Jan. 28, 1985, Israeli Prime Minister Shimon Peres announced that Armand Hammer was acting as a go-between for Moscow and Jerusalem, in an effort to renew diplomatic relations severed after the 1967 Mideast War. "We approached the Kremlin on the 40th anniversary of their victory over the Nazis through the American Jew, Armand Hammer, who was a friend of Lenin," the prime minister said. "The answer we got, and I quote, 'The matter of Israel depends on the relationship of the Soviet Union and the United States.'"

What is really at issue here? The Soviets are holding out to Israel the "carrot" of mass emigration of Jews to Israel, to populate the West Bank, in return for Israel's accommodation to the "New Yalta" arrangement. Israel would disengage from its alliance with the United States, and join forces with Soviet client state Syria to eliminate the pro-Arafat Palestinians and Arab moderate regimes.

Hammer's go-between role has since developed into two different tracks of diplomacy for Israeli-Soviet recognition and rapprochement: One involves Hammer's acquaintance Edgar Bronfman, of the Seagrams family organized crime fortune; the other involves contact between the Israeli and Soviet ambassadors in Paris.

Bronfman, as chairman of the World Jewish Congress,

will go to Moscow in the fall, on behalf of Shimon Peres and the U.S. State Department, for meetings, possibly with the Soviet foreign trade minister, to continue the discussion of Jewish emigration and treatment of the "refuseniks." Active in this enterprise, along with Hammer and Bronfman, is attorney Samuel Pizar, a friend of Hammer, Henry Kissinger, et al., who helped steer Seagrams to sell its liquors in Russia and Russian vodka in the United States. Pizar is based in New York and Paris.

Soviet Ambassador Yuli Vorontsov and Israeli Ambassador Ovadia Sofer met in Paris in July to discuss a "New Yalta" settlement for the Mideast, which would include: 1) easing Jewish emigration to Israel; and, 2) Israeli negotiations with Syria for return of parts of the Golan Heights. As the London *Economist* commented (quoted in the *Washington Times* on July 29), this Israeli-Soviet deal puts Israel in the driver's seat, where it can choose between having the Jordanian-Palestinian initiative for peace into "a Middle East diplomatic free-for-all, with Syria included, or be aborted altogether." This plays into the hands of Henry Kissinger, who is advocating a role for the Syrians in the "Mideast peace process."

Israeli intelligence sources report that Hammer figures in a current plot to make Gen. Ariel Sharon the uncrowned "King of Israel," liquidating what remains of the pro-Arafat Palestinians, with Syrian backing and implicit Soviet support. As current minister of trade and industry, Sharon has tried to interest Hammer and his business partners from a group known as "Operation Independence"—which includes Detroit organized crime kingpin Max Fisher and Charles Bronfman—in Israeli projects. These include purchase of 26% of the Israeli Chemical Company, one of the larger Israeli-state-owned firms, which Sharon sought unsuccessfully to unload on Hammer.

These sources state that, in exchange for exclusive oil-drilling rights in Israel, Hammer has agreed to act as a back-channel to Moscow for Sharon. Last November, at an Israeli Bonds dinner where he was awarded a 1984 Golda Meir Leadership Award, Hammer did announce that he was forming a syndicate for oil exploration in Israel, with \$1 million in seed money out of his own pocket. Today, Hammer's HEI Oil and Gas Corporation is a partner with Isramco, Inc., a publicly quoted U.S. company; Joel (Jerusalem and Exploration, Ltd.), its sister Israeli company; and Delek, a major local petroleum distributor. Operating on a concession near the Negev desert, which covers 40% of the area of Israel, this consortium has drilled four wells so far and plans over 5,000. Other major oil companies, with the exception of William F. Buckley's family firm, have stayed out of Israel for fear of retaliation from Arab states.

Hammer's terrorists in Colombia

On May 13, 1985 in an interview with the *Wall Street Journal*, Armand Hammer made the shocking admission that Occidental Petroleum is *paying* the narco-terrorists who kid-

napped the brother of Colombian President Betancur, the anti-drug fighter, in April 1984, and have tried to destabilize President Belisario Betancur's government. According to the paper, "a modus vivendi with the environment" of narco-terrorists was reached, which includes "giving money, food, transportation and medicine to the guerrillas." "We are giving jobs to the guerrillas," says Dr. Hammer. "We give them the catering jobs, and we take care of the local population. It has worked out so far, and they in turn protect us from other guerrillas."

The Ejercito Liberacion Nacional (ELN), with which Armand Hammer's Occidental Petroleum has made this deal, was founded by the pro-Cuban Vasquez brothers and Fr. Camilo Torres, and is the only narco-terrorist group to refuse a truce with the Betancur government.

Does Hammer's relationship with the ELN go deeper than the "protection racket" which Hammer admits to being a victim of? Consider the close ties between Cuban intelligence and the Libyan government in training terrorists throughout Central America. Consider further that the basis for Hammer's third—and largest—fortune was Oxy's oil discoveries in Libya, where he has remained, with the good will of dictator Qaddafi—a man known to demand "favors" for support of his international assassination and terrorism bureau.

State Department: 'We're impressed'

On July 4, Viktor G. Afanasyev, editor-in-chief of *Pravda*, declared that the agreement to hold a Reagan-Gorbachov had resulted from long negotiations, and that Armand Hammer, who met for one-and-a-half hours with Gorbachov on June 17, "did quite a bit to facilitate" the summit.

What is the State Department's view of Hammer's strange, unofficial diplomacy? A source close to former U.S. Assistant Secretary of State for European Affairs Richard Burt declared: "We're very impressed with Dr. Armand Hammer and all of his various contacts with the Soviets. . . . Of course, any friend of Father Lenin is a friend of Mikhail Gorbachov." According to this source, Deputy Assistant Secretary Mark Palmer maintains contact on a regular basis with Hammer (see "Richard Burt's ties to Soviet espionage," *EIR*, July 29, 1985).

Author Joseph Finder reports that Hammer not only maintains contact with Palmer and has a nodding acquaintance with Secretary of State George Shultz, but has managed to worm his way into the White House, with ongoing contacts at the National Security Council staff. Nonetheless, Finder states in his book *Red Carpet*: "There remains considerable uncertainty about his connections with the Soviet Union. Early in 1981, a memorandum circulated in the Reagan administration warning that Hammer had been in his early days in the employ of the KGB. The memo, dated February 13th . . . discusses Julius, the early Communist ties, references to the Hammers in Lenin's works, and so on. 'Hammer was reported by a former Soviet intelligence officer, now

dead, to be an agent of Soviet intelligence in the 1920s,' the memo states. 'Since the 1920s,' Hammer has consistently supported Soviet interests, however, never in the typical communist or left-radical manner.'"

Hammer, of course, denies the charge that he is or ever has been a KGB agent; but records now available from the National Archives make an even stronger case that he worked for the Soviet intelligence service since its founding. Even the dubious James Angleton, the former chief of counterintelligence for the Central Intelligence Agency, has charged that Hammer is "part of the Trust," working in the Soviet disinformation program to infiltrate and take over opposition to the Bolsheviks, with a special assignment of neutralizing American capitalists, through a program set up by Felix Dzerzhinsky of the Cheka (a predecessor of the KGB) and Vladimir Lenin personally.

There is considerable dispute within the Reagan administration over whether or not to use Hammer's influence in the People's Republic of China, which rivals that he has in the Soviet Union, for the purpose of the present nuclear exchange package being worked out between the United States and the P.R.C. After four years of negotiation, Occidental Petroleum signed an agreement on April 29, 1984, while President Reagan was visiting China, to develop the world's largest open pit coal mine. Oil exploration, so far unsuccessful, has been carried on off the coast of the P.R.C. by Occidental Petroleum as well.

These are a few highlights of Occidental Petroleum's industrial and political influence, which also includes major business activities in the United Kingdom, with the discovery of the North Sea oilfield; in Libya, which accounts for 20% of Occidental Petroleum's gross sales; in Peru, where Occidental produces crude oil in the Peruvian jungle with Petroperu, as well as owning chemical companies purchased from W.R. Grace Corp., which had been nationalized by the Velasco government; in Bolivia, the center of cocaine production for the Colombian narco-terrorists, where Occidental has two production-sharing agreements with the Bolivian national oil company YPFB; and in Pakistan, where recent discoveries of oil and natural gas have been made. Occidental's holdings in Venezuela were nationalized, shortly after a major oil discovery.

Peruvian President Alan García rescinded Hammer's oil contracts on Aug. 28, 1985, calling for the end of "colonial conceptions."

'The Bolshevik secret regime'

Armand Hammer's family is from the Venetian trading port of Odessa, a distinction shared with Alexander Helphand Parvus, who was the controller of Leon Trotsky during the 1905 Revolution, and a significant influence upon the Bolsheviks in the 1917 Revolution, as a pro-Bolshevik capitalist. Actually Parvus was an agent of Volpi di Misurata—known as "the last doge of Venice"—whose actions before and after World War I were responsible for collapsing the Ottoman,

German, Austro-Hungarian, and Russian Empires. Another Odessa Jew is Vladimir Jabotinskii, the follower of Benito Mussolini and of Benedetto Croce, the ideologue of "universal fascism."

Born in Russia in 1898, Hammer was raised from the age of one in the United States by his adoptive parents, Julius and Rose Hammer. Before his arrest, conviction, and imprisonment in Sing Sing on charges of manslaughter, stemming from a criminal abortion in which his patient, the wife of a former Russian official had died, Julius Hammer (alias Heilmann) had been a co-founder of the Communist Party U.S.A., working closely with Jay Lovestone, Benjamin Gitlow, and Bertram Wolfe.

Recently declassified documents from the National Archives, written by U.S. State Department intelligence agents in the 1920s and 1930s, detail the agency of Julius Hammer and his son. But even this dossier has been sanitized, with certain Scotland Yard reports, letters from J. Edgar Hoover, and other items removed by government officials sympathetic to Hammer's treasonous brand of "détente."

A letter from the Special Agent in Charge of the New York Division of the State Department to R. C. Bannerman, the Chief Special Agent, Washington, D.C., dated November 1926 and coded "confidential," states:

In response to your request I hand you herewith a copy of a report I sent your office on March 5th, 1924, which will throw considerable light on not only the criminal record of this man [Julius Hammer, released on parole through the Jewish Board of Guardians of Mortimer Schiff to visit his son, Armand, in Moscow—ST] but his Bolshevik activities and his connections with dangerous radical elements in the United States whose chief object was to create a revolution and overturning of our Government. . . . Dr. Julius Hammer's early activities were a part of the original movements among certain Jewish elements to establish, under Jewish-American fronts, corporations and purchasing agencies such as were actually controlled by Soviet-Jewish elements, under the direction of the Soviet Government of Russia. His later activities, while along these same lines, are more concealed. He is believed to be at present a part of the Bolshevik secret regime. . . .

Accompanying dossiers and memos shed further light on the activity of the Hammers during that period:

1) "One of the angles utilized by the Soviet Government in starting trade relations with the United States was the Allied Drug and Chemical Company," owned jointly by Julius and Armand Hammer, and founded in 1917.

2) Armand and Julius Hammer's Allied Drug business partner, Abraham A. Heller, "a notorious Bolshevik," "was actually the Commercial Agent of the Soviet Government of Russia, working in close cooperation with Ludwig Maertens, the alleged Ambassador from Russia" to the United

States, whom Sir Winston Churchill personally investigated and linked with American Comintern leader Boris Reinstein.

3) Armand Hammer created the Society for Technical Aid to Russia, with the assistance of Elizabeth Gurley Flynn, "a notorious radical and Sinn Fein agitator," and also shows up in documents as an associate of Agnes Smedley, a leading member of the Richard Sorge espionage network and American Communist representative to Mao Tse-tung.

4) Armand Hammer, in traveling for the first time to Russia in December 1921 under cover of business on behalf of the Allied Drug Company, "was carrying messages from Ludwig Maertens, to his colleagues in Russia."

5) Armand Hammer created the Allied American Corporation (Alamerico) to open an asbestos concession in the Urals, working with the assistance of Isaac Hoorgin, "a director of the German-Russian Transportation Company, which is a joint enterprise of the Soviet government and the Harriman interests in New York."

6) Hoorgin was a propagandist for the Soviets, responsible on a trip to the United States "for a considerable revival in propaganda work."

7) Among Alamerico's business associates, apart from Soviet concessionaire Averell Harriman, the future U.S. ambassador to Russia during World War II, were "Mr. Eugene Meyer, the present head of the Government War Finance Corporation, Mr. Bernard Baruch, the former head of the American War Industries Board during the late war [World War I—ST]," and, Mortimer L. Schiff of the Jewish Board of Guardians, who got Julius Hammer paroled.

8) Mortimer Schiff's father Jacob, allied with E. H. Harriman through the investment house of Kuhn, Loeb, had, according to another source, "predicted, in fact encouraged, a Russian revolution" working as the American side of the "Parvus Plan."

9) After receiving the first Soviet concession in the Urals for mining asbestos, Armand Hammer had published in the *New York Times* of June 14, 1922, a letter which he received from Lenin, in which the Bolshevik leader is quoted as saying: "You have my best wishes for the success of your first concession, as it is one of the utmost importance for the future trade relations between our republic and the United States."

The State Department's investigation of Hammer was concluded with an exchange of documents to British authorities that include Memorandum No. 1378, dated April 11, 1932 and coded "secret," which states:

With reference to previous correspondence regarding Julius Hammer and Messrs. Armand Hammer and Company, the authorities here have received a report from the Baltic that Armand Julievich HAMMER and Victor Julievich HAMMER, who also calls himself VYER, both continue to carry out secret missions for the Soviet Government and travel between the United States and Europe for that purpose. It is

further stated that they are frequently accompanied by a woman, Olga VADINA [alias, Olga von Root—ST], said to be an OGPU agent, and who was allowed to leave Russia for the purpose of helping them.

While these documents were being written, the Hammers were in the process of trading their asbestos concession, pen and pencil factory, and other Russian business interests, for Romanoff art treasures, to be sold in the United States at the Hammers' L'Ermitage Galleries. As Hammer himself boasted after his meeting with Lenin in 1921, these concessions had Lenin's full support. "Now here is what I'll do," Lenin said. "I'll appoint a special committee of two, one of whom will be connected with the Peasants' and Workers' Inspection Commissariat, and the other with the All-Russian Extraordinary Commission—Cheka—to deal with this matter and give you all the help they can." Not content with this marriage of Hammer's enterprise with the secret police of Felix Dzerzhinsky, which carried out at least one "liquidation" or execution to eliminate "red tape" facing Hammer's business enterprise, Lenin wrote a document addressed "to I.

V. Stalin for members of the Politburo of the Central Committee of the Russian Communist Party," which reads:

Urgent. Secret.

Comrade Stalin, you are requested to circulate this to all members of the Central Committee (and especially include Comrade Zinoviev).

On the basis of information from [Comintern leader] Comrade Reinstein, I am giving Armand Hammer and B. Mishel special recommendations from me and I ask all members of the Central Committee to fully support these persons and their enterprise. This is a small road to the American "business" world and we must do everything possible to utilize this path. If you have any objections, I ask that you inform my secretary by telephone . . . so that I can clear up any matters (and carry them through the Politburo in final form) before my departure, that is immediately.

Lenin

Frisky whiskey and organized crime

Armand Hammer's second fortune—after the sale of his Russian properties for Romanoff treasure and his bargain-basement buy-out of Averell Harriman's manganese concession—was made dealing in whiskey. Through the family's association with Jay Lovestone, other members of the Bukharinite faction of the American Communist Party, and Felix Dzerzhinsky's OGPU, Hammer already had contact with that group of Arnold Rothstein's syndicate which worked closely with the precursors of the KGB in the New York City garment district. Hammer's organized crime ties may even have gone back to the Prohibition era, when his Allied Drug Company sold tincture-of-ginger and imported "crude drugs of every

kind," according to Bob Considine's *The Remarkable Life of Dr. Armand Hammer*:

His first war with the giants was waged against the background of the Volstead Act—Prohibition. He wanted his share of the tincture-of-ginger market. Some unsung Southern chemist, bootlegger, or bathtub mixer had discovered . . . tincture-of-ginger . . . could make a person as drunk as he ever was when liquor was legal. . . . [Hammer] discovered that ginger prices were soaring. So he sent his buyers into the handful of countries that exported ginger to the United States—India, the Fiji Islands, and Nigeria. They bought so much of it . . . he virtually cornered the market. . . . His experience with ginger led him into the business of importing crude drugs of every kind.

Hammer's early "bootlegging" blossomed, after his work in the Soviet Union, into a major whiskey enterprise, the United Distillers Ltd., which rivaled that of his fellow "rum-runners," the Bronfmans' Seagrams Company. Hammer sold it out in 1943 for \$10 million to Louis Rosentiel, a supplier to the Cleveland "Purple Gang" and "Capone mob," who also "went legit," founding Schenley's liquor company. Another competitor of Hammer in the potato alcohol trade, during World War II was Joseph Kennedy, who wedded the Irish and Italian mafias in Boston, through his access to contracts for high-grade Scotch during Prohibition.

One of the secrets to Hammer's whiskey fortune is Freddie Gimbel, who got him back into the booze business and who had been part of the original circle of "citizens above suspicion" promoting Arnold Rothstein, the "godfather" of the modern organized crime syndicate. Rothstein's stable included: Charles "Lucky" Luciano, Frank Costello, Meyer Lansky, Abner "Longy" Zwillman, Arthur "Dutch" Schultz, Louis "Lepke" Buchalter, and Jack "Legs" Diamond. These were the hands and feet of the syndicate, overseen by the Kennedys, Bronfmans, Jacobs brothers, and Hammers—all of whom "went legit."

A clue to Hammer's organized crime ties is his father's close friendship with the Bukharinite Jay Lovestone, who worked with the OGPU secret intelligence agency until at least 1936, according to those who knew him as general secretary of the CPUSA. In the garment industry throughout the 1920s, a \$1,750,000 loan at 25% interest by the OGPU's secret arm of the CPUSA, secured "goon squads" of "professional gorillas," led by Antony Cafano; a former bootlegger with the Capone mob named "Little Augie Pisano"; and Jack "Legs" Diamond for the CPUSA.

Through Occidental board member Arthur B. Krim, the chairman of Orion Pictures, and long-time Hammer attorney Louis Nizer, a senior partner in a Los Angeles law firm with Krim, Hammer is today part of the KGB connection to the "new mafia" of former Capone mob attorneys Sidney Korshak and Paul Ziffren, along with MGM chairman Kirk Kirkorian. Korshak made a fortune in the 1960s in part-

nership with Bernie Cornfeld's Investors Overseas Services (IOS), a flight-capital, dirty-money-laundering facility tied to Meyer Lansky's financial laundromat services, through Cornfeld's former Harvard roommate Ed Cowett, which had part of the Las Vegas "skim" and had been set up with backing of Paris-based Zionist lobby leader Edmond de Rothschild and the European black nobility-linked Dreyfus Fund.

Armand Hammer would himself turn up associated with Robert Vesco, who ultimately looted IOS of \$200 million and, like Hammer, was an illegal contributor to Richard Nixon's Committee to Re-Elect the President (CREEP—violations for which Vesco walked, while Hammer was convicted). Vesco today has cornered a large part of the cocaine market in the "Silver Triangle" of Bolivia, Colombia, and the Caribbean, from a safehaven in Havana provided by Fidel Castro. His association with Hammer began through Occidental Petroleum's dealings with Charter Oil Company, at the height of the "Billygate" affair over the illegal Libyan dealings of President Carter's brother.

Drive to collapse the West

Armand Hammer began amassing his third and largest fortune when Occidental Petroleum, an ailing California oil company that he bought into for \$34,000 in the 1950s, struck a major oil find on concessions obtained from the Libyan regime of King Idris. According to court documents from the law firm Allen and Company, which worked with Hammer to secure the concession in 1966, Hammer paid some \$8 million in bribes, including the promise of a \$200,000 payment to a "notorious international swindler and Nazi collaborator," General de Rovin.

After the coup d'état in September 1969 that toppled King Idris in favor of Muammar Qaddafi, Hammer became the centerpiece for a plot, which the CIA suspected of being hatched in Moscow, to drive oil prices for the West sky-high. Qaddafi demanded that Hammer capitulate to demands for a 40¢ per barrel price increase and greater Libyan interest in Occidental's holdings—or face nationalization. The CIA's counterintelligence unit suspected that Hammer may have turned to the Soviets for help; message traffic from the Soviet embassy in Tripoli showed that the Kremlin was following every turn of the sensitive negotiations.

Forbes magazine wrote of Hammer's handling of this affair: "On September 1, Occidental caved in. . . . It was the beginning of the end of cheap energy. . . . In retrospect, Oxy's Libyan settlement may have been the most important single event since the end of World War II—and one that marked a turning point for the modern world. Hammer had saved his Libyan concession at a terrible price to the industrial world. But he did so at remarkably little cost to himself."

As a result of these manipulations, today Hammer makes even more money, producing one-fifth again as much oil in Libya, since prices for crude oil after his capitulation and Henry Kissinger's orchestrated 1973 oil-price rise drove prices

toward \$30 a barrel.

Occidental's Libyan oil interests brought it into partnership during the years of the Carter administration with Raymond Mason's Charter Oil Company, which was then largely owned by Ed Ball of St. Joe's Paper Company and the Florida National Bank, on whose board Hammer sits. Another firm involved at the time with Charter was Carl Lindner's American Financial Corp., which had helped place Detroit organized-crime kingpin and Kissinger crony Max Fisher as chairman of United Brands Company, which the Drug Enforcement Administration has charged is a key component of Robert Vesco's narcotics trafficking from the "Silver Triangle."

While Hammer was in negotiations with Charter Company, the President's brother Billy Carter, after trips to Libya with indicted arms trafficker and assassin Frank Terpil, offered the firm cheap supplies of Libyan crude, with the full support of Qaddafi. Another hidden partner in the deal was fugitive financier Vesco, whom Charter's Mason admitted having hired as a consultant, even though Vesco was facing indictment, hiding out in the Bahamas. According to syndicated columnist Jack Anderson's articles on "Billygate," Vesco offered over \$20 million in bribes to the White House for release of embargoed C-130 aircraft to Libya. Well-informed intelligence sources then reported that Armand Hammer was himself the "go-between," on Leonid Brezhnev's orders, to activate Soviet assets in the United States on behalf of Jimmy Carter's re-election in 1980.

Hammer and the Pugwash crowd

Starting during the period of Nikita Khrushchev's rule in the Soviet Union, Armand Hammer began to work his way back into Moscow leadership circles, playing on his friendship with V. I. Lenin as Russia's first concessionaire. Hammer had turned Occidental Petroleum into a fertilizer giant, and in meetings with Khrushchev he discussed a project, the basis for the current European-Soviet pipeline deal, to convert Siberian natural gas for sale in the United States; both as an energy source and a source of ammonia and urea for fertilizer. Although this deal fell through because of indifference from the Kennedy administration, after the Cuban Missile Crisis and Khrushchev's 1964 overthrow, Hammer worked his way into the good graces of Khrushchev's successor, through meetings with Soviet ideological watchdog Mikhail Suslov and KGB agent Dzhermen Gvishiani.

Gvishiani, the son-in-law of Aleksei Kosygin, was until recently the deputy chairman of the U.S.S.R. State Committee on Science and Technology. He is a principal Soviet spokesman for the "New Yalta" deal with the Western oligarchy, an interlocutor of such U.S. Eastern Establishment figures as McGeorge Bundy and Henry Kissinger. He is the only Soviet member of the genocidal Club of Rome, and co-founded, with Bundy, the Austrian-based International Institute for Applied Systems Analysis (IIASA). Gvishiani ended up in the middle of an espionage case which led the Reagan

administration to cut off funding to IIASA.

With Gvishiani's patronage, doors opened for Hammer in Moscow.

Hammer also briefly entered into partnership with Cyrus Eaton, Sr., funder of Bertrand Russell's back-channel to Moscow, the Pugwash Conference, through which Bundy, Kissinger, and others pre-negotiated U.S. acceptance of the doctrines of Mutual Assured Destruction, limited nuclear warfare, and ensured the U.S. failure to develop Ballistic Missile Defense—while the Soviets continued work to create a nuclear war-winning strategy. As a partner in Cyrus Eaton's Tower International, Hammer also worked in partnership with the Kennedys' Sargent Shriver and the Lazard Frères-connected David Karr, who had to quit the Office of War Information during World War II when his role as a journalist for the CPUSA's *Daily Worker* surfaced in an FBI report.

This combine not only built a \$100 million trade center in downtown Moscow, secured the \$200 million Olympic Medallion contract, but also succeeded in gaining Leonid Brezhnev's acceptance of a \$20 billion fertilizer barter deal that should stretch into the early 21st century, involving trade in Hammer's super-phosphate fertilizer from Florida for Soviet natural gas conversion to ammonia. Key to the deal from the U.S. side was Henry Kissinger, who shortly after his own negotiation of the treasonous 1972 ABM-SALT treaty, opened the door of the Nixon White House for Hammer.

Hammer underlined Kissinger's support for his enterprise, in a letter to the *New York Times* published Dec. 20, 1981:

Occidental's historic fertilizer barter agreement with the Soviet Union is misunderstood. Certainly it appeared controversial, but it was part of our national foreign policy, initiated immediately following President Nixon's 1972 Moscow summit conference. The transaction was studied by the Administration and the Congress. Over the course of a year, a task force of Cabinet departments, including the Secretaries of State, Commerce and Treasury, as well as Henry Kissinger, then national security adviser, reviewed and approved it. This culminated in the issuance of President Nixon's "national interest letter" to William J. Casey, then president of the Export-Import Bank, now Director of Central Intelligence.

It is time that Western leaders wake up to Armand Hammer's duplicity, lest they become what Lenin called the "useful idiots" who would sell Russia the rope by which to hang them. It is time to nationalize Hammer's holdings, starting in Colombia, then to call in his \$180 million Export-Import Bank loan that was the seed crystal for his \$20 billion fertilizer barter deal, and finally, to turn the IRS loose on his shadier international art dealings—not to mention his ties with the "new mafia," from Robert Vesco to Sidney Korshak, the now deceased David Karr, and other organized crime figures.

GLOBAL SHOWDOWN

The Russian Imperial War Plan for 1988



What the director of the CIA does not know . . .

What the President's National Security Adviser is incapable of understanding . . .

What many conservatives lack the guts to read . . .

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