## **EIR Feature**

## The Russian-Hammer connection in official Washington

by Criton Zoakos

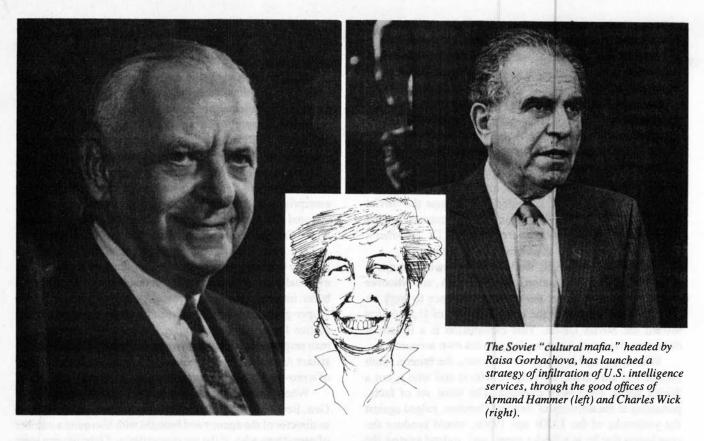
Whereas the official Soviet clamoring, prior to the Reykjavik summit, to have Lyndon LaRouche's head delivered on a silver platter, was expressed in a series of articles in publications controlled by Raisa Titorenko-Gorbachova's and A. N. Yakovlev's "culture mafia," the operating coordination between the Soviet and U.S. elements carrying out the illegal raids and arrests targeting LaRouche associates was run through a "cultural-exchange back channel" involving U.S. Information Agency (USIA) chief Charles Z. Wick and Soviet propaganda chief Yakovlev.

According to intelligence received, the Wick-Yakovlev channel was functioning with the blessings of KGB billionaire Armand Hammer. In fact, Dr. Hammer was, in the same time-frame as the Wick-Yakovlev anti-LaRouche arrangement, carrying off his spectacular emigration of "dissident" Dr. David Goldfarb. It may or may not be a coincidence that the bureaucratic arrangements involved in the Goldfarb case, had to be run by another "back channel," from the Soviet Foreign Ministry's Department of Humanitarian and Cultural Affairs, under Yuri Kashlev, to Hammer's friend Mark Richards of the Justice Department's Office of Special Investigations. This channel would have, conveniently, brought Dr. Hammer's Kremlin friends in contact with those elements inside the Justice Department who, under William Weld's supervision, were orchestrating the illegal crackdown against LaRouche's associates.

The surprising influence which Dr. Hammer of Occidental Petroleum has established within the Reagan administration, raises questions of importance respecting not merely the current foreign-policy drift of the State Department, but also the skeletons in the closet of the U.S. foreign-policy establishment.

The ubiquitous Dr. Hammer, it appears, with his patsy, Charles Wick, controls nothing less than the entirety of the official U.S. government cultural posture, and most emphatically, the policy of cultural exchanges and cultural competition with the Soviet Union. He also maintains an otherwise inexplicable influence over the Department of Justice, through his liaison with Mark Richards of the Office of Special Investigations. Numerous other tentacles of Armand Hammer, reaching

36 Feature EIR November 7, 1986



deep into the Department of Commerce and even the White House, complete the picture of his private "state within a state."

Dr. Hammer is a senior Soviet intelligence operative, functioning under the cover of "businessman." In numerous instances during the post-war period, ranking KGB officials have boasted, in confidence, to Western counterparts, that Armand Hammer is such a senior intelligence operative working for them. The still unexplored "Russia files" of Gen. Reinhard Gehlen, certainly contain much more information relevant to the "super-agent" status of Dr. Hammer, than the current curators of the Gehlen collection are willing to make public.

The fact of the matter remains, that Hammer is such a senior Soviet "super-agent," with an extensive penetration network within the present administration in Washington. His cover, simply, is that he is not a "communist," but merely a "pinko sympathizer," who, because of his connections in the Kremlin, might be of occasional usefulness to the U.S. government. The height of irony is, that this cover is cultivated by Roy Godson of Georgetown University's Center of Strategic International Studies, and his various understudies, such as Herbert Rommerstein of the USIA (and FBI), who pose in public as the world's experts on Soviet KGB "disinformation" techniques.

Godson, his sundry "Herbert Rommersteins," Jack Matlock of the National Security Council, Charles Wick, Mark Richards, the senior analysts at the CIA's Soviet Desk, are

merely part of a pathetic slew of official and quasi-official careerists, hired guns, and climbers who, on behalf of powerful principals behind the scenes, are sustaining and helping along the Hammer cover story—in the process, promoting a policy of appeasement and sellout to the Soviet Union.

## Questions of fact and of policy

Should we assume the burden of "proving" that Dr. Hammer is a senior Soviet agent? No. During the 1920s and the 1930s, the official U.S. government intelligence services of that time, repeatedly classed Dr. Hammer as a Soviet agent, as official documents surviving to this day show (see *EIR*, Sept. 6, 1985, "Armand Hammer: Soviet 'Fixer' From Lenin to the Present"). Dr. Hammer's father was a co-founder of the U.S. Communist Party, together with Jay Lovestone. Hammer himself was a close collaborator of both Lenin and Lenin's chief of security and espionage, Felix Dzerzhinsky, the founder of Cheka, predecessor organization of today's KGB. Today, Hammer is the only foreigner allowed to fly over any part of the Soviet Union by private airplane and to go to meet any Soviet leader without so much as an advance phone call.

Instead of us "proving" the case that Hammer is a Soviet intelligence official, someone in official Washington should tell us why the official, governmental designation of the man as a Soviet agent, which was valid in the 1920s and 1930s, has been dropped today.

For this designation to have been dropped, one of four

things must have happened:

- 1) Either agent Hammer was "turned" and made to work against his former employers, the Soviet services; or,
  - 2) he retired from the political intelligence business; or,
- 3) he became a "freelancer" and went to work on his own account: or.

4) somewhere along the line between the 1930s and now, someone changed the U.S. intelligence criteria applied to judge whether a person is a Soviet intelligence agent or not.

Possibilities 1 and 2 are ruled out because the Soviet government does not think that Hammer was "turned" against them, nor is there any evidence from the feral Dr. Hammer's daily schedule that he is anywhere near retirement yet.

Possibility 3, that he is working on his own account, is today the favorite explanation of the FBI, CIA, and whoever it was that gave Hammer the security clearance to work on Charles Wick and shape the cultural aspect of U.S. policy toward the Soviet Union. This explanation is a lie and a distortion. Hammer is not working on his own account.

What happened is that, over the years, the criteria, both official and unofficial, for judging who is and who is not a Soviet agent, have been changed: The same set of facts, pertaining to the activities of Armand Hammer, judged against the yardsticks of the 1920s and 1930s, would produce the conclusion that he is a Soviet agent, and, judged against the yardsticks of 1986, would produce the conclusion that he is not.

## The Trust's influence in Washington

At the present time, Armand Hammer is the leading edge of three major policy thrusts in Washington: transformation of U.S. propaganda programs addressing the Soviet population, into vehicles of Great Russian nationalist-chauvinist themes; efforts through Department of Commerce and private industry channels, to permit the Soviet Union's entry into GATT and, eventually, the World Bank and the International Monetary Fund; U.S.-Soviet coordination of human rights and emigration policies, with Hammer interfacing between the DoJ's Office of Special Investigations and the Soviet Foreign Ministry's Department for Humanitarian and Cultural Affairs.

These three policies reflect explicit commitments of the Kremlin at this time, and thus make Hammer an explicit agent of at least these Soviet policies. They also happen to be a reflection of similar policy commitments of a certain power center of the U.S. Eastern Establishment, variously known as "the Trust," the "bankers' CIA," etc.

The Morgan Guaranty bank's law firm in New York, Sullivan and Cromwell, often provides the legal counsel for Armand Hammer's Occidental Petroleum, and the Bank of Boston is Occidental's investment banker, having been retained since the time that the Bank of Boston's president was a Russian emigré aristocrat. The relevance of this back-

ground information to what is going on today in official Washington, is that, during Lenin's 1917 Revolution, these banking institutions, together with Jacob Schiff, financed Lenin, and subsequently appointed their own trusted man, Jacob Furstenberg, to be the first director of the Soviet Central Bank. Sullivan and Cromwell, and the man who would soon become its senior partner, John Foster Dulles, created a series of trading corporations to secure the international trade relations of Lenin's Soviet Russia. Hammer's business enterprise was one of these; another was the American International Corporation of 120 Broadway, in New York City, where George Shultz's father, Earl Birl Shultz, worked.

The cluster of East Coast banks and law firms which initially sponsored and saw through the Lenin revolution, eventually, after the end of the Second World War, and after bitter internal struggles, came to dominate in most of the "super-grades" of the CIA. A similar erosion occurred in the Justice Department, leading to the point today, where the man responsible for issuing national security clearances, Assistant Attorney-General William Weld, is himself a member of a pro-Soviet penetration operation.

When John Foster Dulles, in 1953, forced the ouster of Gen. Beddel Smith from the CIA, his brother Allen took over as director of the agency and brought with him quite a number of operatives who, if the pre-war criteria of intelligence were to be applied, would have been classed as Soviet agents. Among them, under Sullivan and Cromwell's Dulles wing, were old friends of Armand Hammer, such as Communist Party founder Jay Lovestone, William Bundy, the promoter of Alger Hiss, and others. Under the Dulles brothers, U.S. intelligence, over the vehement objections of Gen. Douglas MacArthur and other senior military leaders, shifted dramatically its criteria of judgment on the question of Soviet agentry. As a result of that shift, many of the original funders of and participants in the Lenin revolution were cleared, and even propelled to positions of policy influence—solely on the grounds that, within the context of the Bolsheviks' family brawl, they found themselves on the side opposite to that of Josef Stalin, who, at that time, had his own ideas of how the great East-West game of international bankers and Bolshevik demagogues should be played.

So, soon after the war, Armand Hammer was cleared of the stigma of "Soviet agent." As a result, later on, when Yuri Andropov took over the KGB, and Archibald Roosevelt was coordinating the CIA's North Africa-Middle East-East Europe operations, an artificial coup d'état was carried off in Libya, Muammar Qaddafi was installed as a figurehead, and Hammer's Occidental Petroleum was launched as a major KGB operation, with CIA blessing. This ought to give food for thought respecting not only the "Terpil and Wilson" matter, but also the notorious Billygate affair involving President Carter's brother, and, in connection with Billygate, the KGB and CIA interface in the Propaganda-2 Freemasonic lodge.