

The primary target of Seagrave's attack is the "Ironhats." (Seagrave has a gimmick of finding—or inventing—nicknames for his enemies which convey his intended characterizations, and then referring to them by these labels exclusively.) This referred to the faction in the court and the military that wanted to resist the escalating foreign control over China. While it is true that some in this faction sponsored or tolerated the emergence of anti-foreign populism and the anti-Christian hysteria (which brought carnage to both foreign and Chinese Christians during the Boxer outbreak), there is *no* effort to probe the alternatives to Robert Hart's reign of "beneficent" looting of China. In Seagrave's story, these "Ironhats" are the monsters who did all the ill deeds falsely blamed on the rather innocent and naive Empress Dowager.

Unlike Peyrefitte, Seagrave does not constantly add, "It's the same still today." But his hatred toward the policy of China's republicans, as expressed in his previous venom against Chiang Kai-shek, makes one assume that his message is that today's Emperor Deng Xiaoping, as well as any reformers who may replace his tottering regime, would be well advised to follow the dictates of Robert Hart's descendants at the International Monetary Fund (IMF), who are picking China clean today in the tradition of their 19th-century mentor.

Kang Hsi

In view of the malicious intent of both these books, it is tempting to take the defense of the authors' targets, Ch'ing Emperor Chien Lung in the 1790s and the so-called Ironhats a century later. However, it is true that the Ch'ing Dynasty was in the process of decay when the British arrived in the late 18th-century, and, after another century of British genocide and barbarism, the regime was even more rotten. But both authors relinquish their right to complain against these regimes by lying about the cause of that degeneracy—the sabotage (primarily by Enlightenment forces in the West) of the nearly successful alliance between the Christian missionaries of the 17th century and the China of Chien Lung's grandfather, Emperor Kang Hsi. This alliance had been based on the recognition by the missionaries that Confucianism constituted a moral tradition which was coherent with Christianity, together with the open embrace by Kang Hsi of the scientific and moral teachings of the Christian Renaissance.

Our two authors not only ignore this great historical development, but also turn it on its head. Seagrave denounces the early Ch'ing leaders, including Kang Hsi, as "gypsies" who ran China with a "reign of terror that never ended." In typical Seagrave verbosity and glib misrepresentation, he writes: "In these borrowed palaces the Manchu had gorged, splurged, and squandered until—sometime during the last years of the prodigal Emperor Chien Lung—it was all gone except the hangover."

Peyrefitte compares the entire Ch'ing Dynasty to the Maoist period, only with "Mao Zedong Thought standing in for Confucius Thought, the Little Red Book for Kang Hsi's Sacred Edit." He accused the Jesuit missionaries and Leibniz, who conveyed to all of Europe the extraordinary developments in China in the 17th century, of outright lies, aimed only at ingratiating themselves with the Chinese rulers. MacCartney's team, he claimed, "set about to destroy this myth irrevocably, denouncing the writings of the Catholic missionaries as pure fabrication. Instead they came to believe that the supposedly incomparable model was in fact fossilized by ritual and steeped in vanity." Showing his "free trade" proclivities, Peyrefitte complains that "Confucius never read Adam Smith."

A. Hammer: 'agent vliyana' for Trust's new world order

by Denise M. Henderson

The Dark Side of Power: The Real Armand Hammer

by Carl Blumay with Henry Edwards
Simon and Schuster, New York, 1992
494 pages, hardbound, \$25

At the end of *The Dark Side of Power* co-authors Carl Blumay and Henry Edwards write that Armand Hammer "had spent a lifetime creating himself and he was, indeed, a unique creation. . . . He chose to act the part of a great man. And when his performance came to an end, the only thing he left behind was an empty stage."

Although I would have to agree that Hammer was not a great man in the sense of a Leonardo da Vinci (whose works he collected) or an Abraham Lincoln, it is absolutely the case that Hammer was not "acting," i.e., was not merely the creation of his public relations man, Carl Blumay, who worked under Hammer's direction at Occidental Petroleum from 1955 to 1980. And the stage is certainly not "empty." The *tabula rasa* theory of human history—that when we are born, our minds are blank, to be written upon by our five senses and what they perceive and that when we die, it signifies nothing—is simply false; and in the case of Armand Hammer, the stage is strewn with the wreckage—including corpses—created by his activity during his 91 years.

Many of Armand Hammer's crimes against humanity were detailed by *Executive Intelligence Review* in a feature report ("Armand Hammer: Soviet 'Fixer' from Lenin to the Present," Sept. 6, 1985, Vol. 12, No. 35). However, given that Blumay focuses primarily on Hammer's personal life and how Hammer both used and disposed of people at will and chooses to explain Hammer's life as more illusion than substance, it is important to remind Americans who Hammer was, and that his actions had—and to this day continue to have—consequences for humanity.

According to Blumay and Edwards, when the KGB opened its files to the West in 1991, "Hammer was identified in the counterintelligence records as an *agent vliyana*, an agent of influence for the Soviet government" (emphasis in original). But what sort of an agent of influence? Who benefited from Hammer's activities?

To focus on the best-known and most significant aspect of Hammer's career: From at least 1921 until his death in 1990, Hammer operated as a back channel for the one-world condominium known as the Trust, which is comprised of a grouping of members of the Anglo-American elite and their Soviet counterparts who, up to Mikhail Gorbachov's last days, sought to establish a "new world order" based on a series of agreements between the two superpowers to prohibit economic and technological progress for the developing nations, with the superpowers becoming the policemen of the world. Today, the Trust has regrouped around the savage war it has unleashed in the Balkans.

Hammer's role in the Trust?

Hammer is most often described as "the man who knew Lenin," because in 1921, Hammer and Lenin agreed that Hammer would set up the first concession to be granted to a "western businessman" in the Soviet Union. The irony in this, of course, is that Hammer was acting on behalf of, not some group of capitalist investors, but of his father, Julius, one of the founders of the Communist Party of the United States of America, who had been convicted and was in prison in the United States after botching an abortion in which the woman died. Hammer was to be the willing bait by which other western capitalists, such as Henry Ford, were encouraged to invest in the Soviet Union. As Armand's brother Victor told Blumay, "Armand contacted companies across the U.S., saying that he was Ford's representative and describing the Soviet concession system in glowing terms. . . . Part of Armand's job was to set up an exchange program and get Soviet engineers into the U.S. to study American industry. Most were spies who were trained to steal industrial secrets, and he even got them into the Ford tractor factories."

In fact, this is confirmed by a letter written by Lenin at the end of his life to Stalin, in which Lenin wrote: "On the basis of information from 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"

Armand and his brother Victor, who had close ties to the KGB, were also engaged in funneling hard currency into the Soviet Union. A 1932 State Department memorandum, declassified in the 1980s, reported, "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, said to be an OGPU [forerunner of the KGB] agent, and who was allowed to leave Russia for the purpose of helping them."

When the Hammers were forced to sell their businesses in the Soviet Union in 1930, they were given in exchange Romanov art treasures; the proceeds from some of these treasures were funneled back to the Soviets.

When Josef Stalin came to power, he closed down the back channel which Hammer represented and purged most of the Russian component of the Trust. It wasn't until after Stalin's death in 1953 that Hammer was again able to become directly involved with the Soviet Union. In the meantime, Hammer, always eager for a "business opportunity," linked up with the bootleggers during Prohibition in America, thereby setting up a series of organized-crime connections which in turn gave him entree into the drug mafia. Those ties also lasted until his death.

Beginning in the late 1950s and through the John Kennedy administration, Hammer again tried to parlay his connections to the Soviets into a back channel. The administration was not buying, although Hammer managed to open up certain doors through Elliott Roosevelt, who was strapped for cash and used Hammer's art galleries and other connections to help himself out of a jam.

In the meantime, Hammer's Occidental Petroleum had become a major oil company in Libya. Hammer could not have done so without high-level help from both the Russians and especially of highly placed British lords, Occidental played a key role in driving energy prices up at the end of the 1960s. Occidental was the first company to capitulate to Qaddafi's demands for 40¢ more per barrel of oil; as *Forbes* magazine wrote at the time, "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.”

And, as *EIR* pointed out, Occidental’s capitulation occurred only after 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.”

With the election of Jimmy Carter in 1976, Hammer’s role as a back channel to the Soviets began in earnest.

Although it seemed in 1980, that the Reagan administration would have nothing to do with Hammer, in fact, as *EIR* reported at the time, the administration had a “schizophrenic” view toward Hammer, which had a lot to do with the fact that different factions inside the administration had different ideas about how to deal with the Soviets. When on March 23, 1983, President Reagan announced his Strategic Defense Initiative and offered a joint deployment of the SDI to the Soviets, the Soviets immediately set into motion every asset they had to stop Reagan’s commitment to the SDI.

The decision to use Hammer as a back channel came as a result of a series of machinations by then-Israeli Prime Minister Shimon Peres, who announced in January 1985 that Hammer was acting as a go-between for Moscow and Jerusalem. “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,” reported Peres. “The answer we got, and I quote, ‘The matter of Israel depends on the relationship of the Soviet Union and the United States.’ ”

Subsequently, Hammer was utilized as a back channel to pull off the Geneva Summit of November 1985, an attempt by Mikhail Gorbachov to get Reagan to back down from the SDI, which culminated with the Reykjavik Summit of October 1986. Hammer was involved in negotiations to release American journalist Nicholas Daniloff. After a series of negotiations, Daniloff was released in exchange for a Soviet accused of spying in the United States. “Simultaneously,” write Blumay and Edwards, “the United States made the surprising announcement that Reagan and Gorbachov would participate in a mini-summit in Reykjavik, Iceland, on October 10 and 11.”

Hammer throughout his life was, through various members of the Board of Directors of Occidental Petroleum, tied into the Anglo-American establishment and its operatives such as Henry Kissinger. The list of Oxy directors is mind-boggling: everyone from Robert Abboud to the media operative John Kluge was on Occidental’s board. Most of the operations he ran, while on the surface seeming to benefit the Soviet Union, actually had the intent of *controlling* both the Soviet and U.S. side, and preventing them each from perceiving where their actual state interests lay.

Yet Carl Blumay does not seem to “get it.” Although he details the amoral way in which Hammer treated his friends, his relatives (Hammer probably allowed his devoted last

wife, Frances, to die needlessly), and anyone who crossed his path, he insists on treating Hammer as a single individual with some delusions of grandeur and some influence in the world. In particular, Blumay chooses to downplay Hammer’s ties into the British Crown, specifically, his relationship to Prince Charles, who once referred to Hammer as his “guru.” Charles was first introduced to Hammer by Lord Louis Mountbatten, who had many back-channel ties with Soviet intelligence, including through the Trust-sponsored Pugwash Conferences. Blumay instead has chosen to make Hammer appear as a glad-hander for the Soviets whose public image would have suffered without his PR man’s ministrations.

The Love Canal story

It is also interesting to note, that one of the biggest bad publicity stories which Blumay urged Hammer to fight, was the allegation of environmental damage around Love Canal. Blumay repeats what is known today, that Hooker Chemicals—which Occidental had not acquired until 1968—had “made it clear when it sold Love Canal . . . to the Niagara Falls Board of Education in 1953 that hazardous wastes were buried there and that it would assume no risk or liability for anything that might happen”; as well, Blumay knew that most of the charges against Hooker were false. But Hammer refused to fight. Occidental’s failure to fight on Love Canal, led to a series of environmental measures which resulted in what is called today SuperFund—legislation which ties the hands of most major U.S. corporations. One of the sponsors of SuperFund was none other than Al Gore, Jr.—whose father was on the board of Occidental and to whom Hammer had “given,” as a sort of payment in kind, the management of one of the dirtiest coal companies in the United States, Island Creek Coal Co.

Blumay’s contention that Hammer’s life today amounts to an “empty stage” ignores the fact that the Hammer Foundation still exists. While it is not controlled by Hammer’s immediate family (Hammer’s son has had many run-ins with the law, including being suspected of murder or assault with a deadly weapon many times, and his stepson has been exposed as tainted by drug dealing), it still functions; nor can it be ignored that Hammer’s posthumous holdings still include some major art works by da Vinci including the codex of drawings called, “Of the Nature, Weight, and Movement of Water.” Too, Hammer’s foundation contributes to cancer research, and Hammer had a wing of Columbia University Hospital named after him.

But that is nothing compared to the fact that the networks with which he worked—most notably including Henry Kissinger and past and present members of Kissinger Associates—for so many years, the core of the East-West condominium, remains intact to this day. Far from being dismantled, that network, which was forced to lie low for a few years, has now unleashed the horrors in the Balkans which could very well lead to World War III.