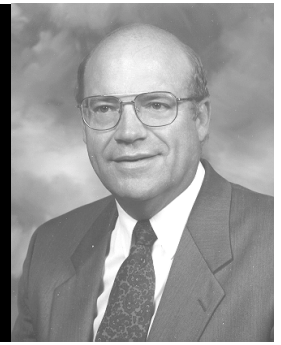




Dr. Fred Schwarz

# The Schwarz Report



Dr. David Noebel

Volume 40, Number 7

July 2000

## Inside

### **The Molding of a Communist** by Dr. Fred C. Schwarz, Part 3, Page 2

Dr. Schwarz explains how all power rests in the head of the Communist Party and “the Party becomes the very voice and breath of God.”

### **Russia’s Cuban Connection** by Stanislav Lunev, Part 2, Page 5

Picking up from last month’s Schwarz Report, Stanislav Lunev completes his article explaining the importance of Castro’s relationship with Russia.

### **The Hammer-Gore Connection** by John Elvin, Part 1, Page 6

In the first of a two-part article, John Elvin exposes the connection of the Gore family to Armand Hammer. Hammer’s former assistant terms his former boss as “the godfather of American corruption.”

### **The Schwarz Report Bookshelf** Page 8

Don’t forget to check out our listing of anti-Communism material.

## Castro’s Friends

by John Podhoretz

The universal outrage on the right over the raid of Lazaro Gonzalez’s Miami house has reminded fratricidal conservatives of the glue that held them together before the collapse of the Soviet Union: anti-communism. The once close-knit strands of the conservative movement that have been threatening to unravel for the past nine years have been stitched together again, at least for the moment. Pat Buchanan and Charles Krauthammer, otherwise at war, are speaking with one voice in this case. “The real kidnapper of Elian Gonzalez is Fidel Castro; Mr. Clinton and Janet Reno acted as his accomplices,” Buchanan said. Krauthammer put it this way: “It was a disgrace...[Janet Reno] will be remembered as the Attorney General...who gave us that awful picture of the boy and the gun.”

These two and others are united not only in their anger at Clinton’s action, but in their disgust at the return of the “useful idiots”—Lenin’s term for credulous non-Communist denizens of the West who were easily suckered by the supposed democratic progressivism of the 1917 Revolution.

Now, the rhetoric spouted these past months by longtime Castro sympathizers like the Rev. Joan Brown Campbell of the National Council of Churches was to be expected. (Last year, in a Havana rally, Campbell begged the forgiveness of Cubans for the nation’s hard line on trade with Cuba: “We ask you to forgive the suffering that has come to you by the actions of the United States...It is on behalf of Jesus the liberator that we work against this embargo.”) Campbell and her ilk are professional ideologues who have spoken passionately for decades about the virtues of Castroite Cuba, Sandinista-ruled Nicaragua, and other Soviet satellites.

No, the really appalling stuff has been written and spoken by the sorts of people who like to refer to themselves as “mainstream journalists.” In newspaper after newspaper, magazine after magazine, TV chat show after TV chat show, many of those who have been filing reports from Cuba have joined a special dishonor roll exemplified by the notorious *New York Times* dispatches of Walter Duranty, who praised the Soviet Union’s forced collectivization policy in the late 1920s and early 1930s, even as millions were dying because of it.

One notorious anti-anti-Communist trope revived in recent weeks has been reflected in the oft-expressed notion that Elian Gonzalez’s life in Cuba would be superior to his continued residence in south Florida—that the socialist benefits provided by a Stalinist regime make it a better place for children. “In some ways, young Elian might expect a nurturing life in Cuba, sheltered from the crime and social breakdown that would be part of his upbringing in Miami,” wrote Brook Larmer and John Leland in *Newsweek*. On

*continued on Page 4*

And do not participate in the unfruitful deeds of darkness, but instead expose them. Ephesians 5:11

*Dwell on the past and you’ll lose an eye; forget the past and you’ll lose both eyes.” Old Russian Proverb*

# The Molding of a Communist

by Dr. Fred C. Schwarz, Part 3

The rise of Stalin to complete power was unnoticed until accomplished. It was widely anticipated that the mantle of Lenin's power would finally rest on the capable shoulders of Nikolai Bukharin. Bukharin was a brilliant Communist theorist, author of *The ABC of Communism*, head of the Communist International after the decline of Zinoviev; a man of the caliber of Lenin himself. When the vote was taken, however, Stalin was victorious by a majority of four to three. Once the vote was taken it was binding on all seven members of the Politburo. Unanimously they went down to report the verdict to the Central Committee and, finally, the vote at the top became the belief and the marching orders of the entire Communist Party. There is no way whereby quarreling among the leadership can transfer itself to Party membership.

Stalin was then in complete power. He appointed those whom he approved. As secretary of the Politburo, he was in charge of the calling of the meetings and determined the agenda of those meetings. From 1929 until his death in 1953 his power remained absolute.

The rise of Stalin to personal and absolute dictatorship was not due to the qualities of his personality, but due to the nature of the structure of the Communist Party. An accepted Communist principle is that every member is subject to Party discipline. This is a euphemism for the reality that every member is under constant, personal, intimate supervision. The organized instrument to administer Party discipline was called the Orgburo. Associated with it was the internal Party police. Individuals rose to great heights of administrative power within the Communist Party, yet the secret police supervised their lives in minute detail. Their telephone calls were monitored. Their individual interviews were recorded. Their papers, both personal and public, were at the disposal of the secret police who possessed a key to the safe of every official. The only Communist official to whom this did not apply was the number one man, Joseph Stalin. To him the secret police finally reported and from him they took their orders.

Thus every member of the Politburo, powerful as he was,

was isolated from all other members. There was no possibility of the prior consultation necessary if united and planned action was to be taken at the Politburo meeting. If two members should meet and Stalin should become suspicious, they could quickly be arrested and thus prevented from reaching the next meeting. In this way, each meeting of the Politburo was under the complete domination of Stalin. All other members in attendance were isolated from each other and the information on which their decisions were to be made was given to them by Stalin himself. In this manner his power became limitless.

His achievements are unbelievable. Khrushchev recounts them in detail in his speech attacking the cult of personality and outlining the "mistakes" of Stalin, but he does not clearly indicate how Stalin did it. He tells us, for example, that Stalin put to death the military leaders of Russia who were the idols of the armed forces. He tells us that Stalin caused to be arrested and shot for treason 70 percent of the Central Committee that elected him to power in 1934–98 members out of 137. He tells us of entire nationalities that Stalin destroyed. He relates how, during the war, Stalin sat in an office with a globe in front of him and gave specific orders to the military commanders in the field. In one operation alone, because of the ignorance of Stalin and his refusal to heed the plea of the commanders in the field, hundreds of thousands went to their deaths. Khrushchev tells us what Stalin did, but he does not explain what gave him the power to do it. How does a man put to death the majority of the military commanders? How does he put to death the majority of the leaders of his own political party?

Khrushchev gives an indication when he says, "Different members of the Politburo reacted in different ways at different times." To understand this statement, we must understand the situation that existed. The Politburo was made up of seven men, each of them all-powerful within his administrative department, but each of them under constant, hourly surveillance. The internal Communist secret police checked everyone they met, listened in on every phone conversation, had a key to every safe, read every document, and reported everything they did to Stalin. Two of them might desire to confer on some question to come before the Politburo. They could not do it. If Stalin heard of their meeting, he would

Founded in 1953, the Christian Anti-Communism Crusade, under the leadership of Dr. Fred C. Schwarz, has been publishing a monthly newsletter since 1960. *The Schwarz Report* is edited by Dr. David A. Noebel and Dr. Michael Bauman with the assistance of Dr. Ronald H. Nash. The Crusade's address is PO Box 129, Manitou Springs, CO 80829. Our telephone number is (719) 685-9043. All correspondence and tax-deductible gifts (the Crusade is a 501(c)3 tax-exempt organization) may be sent to this address. Permission to reproduce materials from this *Report* is granted provided our name and address are given. **Check out our updated website at [www.schwarzreport.org](http://www.schwarzreport.org).**

have them arrested before the next session of the Politburo was called. Thus each of them came to a Politburo meeting completely unaware of the attitude of the other members. Not one of them had any idea how the others were going to vote. If a man voted against Stalin and the motion was defeated, his life was ultimately forfeit. This was the end result of the all-or-nothing law of Communism. Only when this situation is clearly visualized can we understand why the other members of the Politburo were powerless to halt the cataract of Stalinist criminality. Only in the light of the understanding of Communist organization does the plaintive plea of Khrushchev, "Different members of the Politburo reacted in different ways at different times," become significant.

Stalin occupied a position of limitless power from which he operated as a tyrant unequalled in the annals of history. But it was Communism, not Stalin, that was responsible for his tremendous power. It was the organizational structure of Communism that projected him to his all-powerful position.

Communist organization remains the same. It has not changed. The events following the death of Stalin recapitulate minutely the events following the death of Lenin. Multitudes of people stand up and say, "Ah, but there is a difference! Stalin used to execute those he expelled, but Khrushchev does not." Such people have no knowledge of history. Lenin died in 1924. Stalin came to total power in 1929. The expelled from the Politburo were not executed until 1936. In the meantime, they were frequently given jobs appropriate to their abilities in distant areas. The same thing has happened since Stalin died. Immediately after the death of Stalin, there was a period of collective leadership followed by the emergence of Bulganin and Khrushchev. Bulganin was eventually overthrown and appointed to some minor position. At the top was the all-powerful Khrushchev, projected by the Communist Party to leadership of the Communist movement throughout the world.

Those who prate on the importance of public opinion within Russia, and proclaim the power of the Red Army, are ignorant of the political facts of life in Communist countries. All power resides in the Communist Party. Some time ago a name frequently in public discussion was that of Zhukov, Commander-in-Chief of the Red Army, friend of President Eisenhower. Our pundits advised that President Eisenhower and Zhukov meet and negotiate. They pointed out that the Red Army was a very powerful organization and claimed that Zhukov as its Commander-in-Chief was the real power in Russia. Let Zhukov and President Eisenhower get together and they could iron out the problems of the world.

In truth, Zhukov's position as Commander-in-Chief of the Red Army gave him no more power than if he had been

the head of the Boy Scouts. All power is in the Communist Party. The Communist Party is a unified, disciplined party. The man at the top has all authority. From its membership one disciplined man is taken and made Commander-in-Chief of the Red Army. In his administrative position within the army he is very powerful, but as a Communist he is totally subject to the orders that come down from the top of the Communist Party. Similarly, other men are selected to fill all significant governmental, educational, cultural and religious positions, but each of them owes complete obedience to the head of the Party.

The difference between the State and the Party is rarely understood. The head of the Russian State may be an insignificant individual. When Stalin was all-powerful within Russia, while he was putting to death the majority of the officers of the Red Army, the majority of leading Communists, the majority of industrial managers, he was merely Secretary of the Communist Party. When it was necessary for him to meet with President Roosevelt in the capacity of chief of the Soviet State, he appointed himself to that position. When he thought it advisable, he appointed himself Commander-in-Chief of the Red Army. But his power never depended on his being President of Russia, or Commander-in-Chief of the Red Army. His power was derived from his position as head of the Communist Party.

For the Communist, the Party becomes the very voice and breath of God. The statement by Nikolai Bukharin before his execution is most revealing. Said he, "Comrades, I feel it is my duty to make the following statement. You all know that for three months I would say nothing. Suddenly I changed and confessed to everything of which I was accused by the Comrade Prosecutor. Why the change? I think you are entitled to know. As the moment of death approaches and one goes out into the great loneliness, the thought of going out alone, unforgiven, apart from the Party in which I have lived and which to me has been life itself, was a prospect I could not face; and, if by some miracle I should not die, life outside the Party would to me be worse than death itself." There is something frightening about a movement that can evoke such devotion in one it is about to destroy.

The curse of Communism is that by the Party it creates, it takes the idealism of its young recruits and uses it as an ultimate instrument of dictatorship, tyranny and genocide. Their intelligence is prostituted, their idealism debauched, and they are molded into intellectual robots of unquestioning obedience and frightening efficiency at the disposal of the dictator of the Party.

*You Can Trust the Communist...to be Communists,*  
p. 46-50

*continued from Page 1*

*The McLaughlin Group*, Eleanor Clift said: “To be a poor child in Cuba may in many instances be better than being a poor child in Miami, and I’m not going to condemn their lifestyle.” As if living under the Communist yoke were a “lifestyle choice.”

These words could have come straight from the mouth of Juan Miguel Gonzalez, Elian’s father. In an interview with Dan Rather on *60 Minutes*, for which he was obviously well coached, Juan Miguel asked: “What’s freedom?” Is it “for example, in Cuba, where education and health care is free. Or is it the way it is here? Which of the two is freedom? For example, here, when parents send their children to school, they have to worry about violence. A child could be shot at school. In Cuba, things like that don’t happen.”

The quality of Cuba’s schools and the country’s literacy programs have also been much discussed and compared favorably to what’s available in the United States. On NPR’s *Weekend Edition*, *St. Petersburg Times* editorial writer Diane Roberts spoke of a trip she took to London, where her British friends sought answers about the boorish American attitude toward the island nation: “They figure I understand how a nation fixated on family values could hesitate for a moment in restoring a grieving, traumatized child to his parent. I don’t understand. I have never been to Cuba, though most of my British friends have. They come back exclaiming over the turquoise water, the opulent rum, the friendly people who manage to maintain their dignity despite dire poverty, poverty exacerbated by the American embargo.”

Her British friends, Roberts assured her listeners, “also deplore Castros’ jailing of dissidents, gays, and writers. They despise his refusal to hold elections. But most of my British friends have been to Florida, too...They couldn’t help noticing that the literacy rate is higher in Cuba than in Florida.” Cuba claims a 96 percent literacy rate, but of course every single person there was born and raised speaking Spanish. Florida has hundreds of thousands of Spanish-speaking immigrants—many of them refugees from Cuba—who are understandably not entirely literate in English.

Writing in *Slate*, Columbia journalism school professor Charles Kaiser acknowledged that “the country is pitifully poor, the fancy new hotels and restaurants built for the tourist trade are off-limits to Cuban citizens, and food is far from plentiful. And yet, despite all the hardship and real political oppression, the people remain incredibly vibrant, the literacy rate is higher there than it is here, and there is an astonishing array of music, theatre, and dance available to everyone in Havana. The health care is better, too.”

Would Kaiser, a gay activist, recommend to any HIV-positive friends that they journey to Cuba, home of that superior health-care system, for their treatment? Does he not know that Castro has jailed homosexuals for “counterrevolutionary activities” since the revolution and quarantined AIDS victims in the 1980s?

Michelle Singletary, a financial columnist for the *Washington Post*, also visited Cuba and found the poverty kind of refreshing. “In Cuba there are no shelves full of Barbie dolls. There is no Disney World,” she wrote approvingly. “Instead are aerodynamic skateboards or sparkling Rollerblades, many Cuban children are forced to fashion their own toys. I watched as three young boys darted around traffic on makeshift scooters made out of old crates. Just down the street, other boys were playing drums on empty cardboard boxes.”

Randall Pinkston of CBS, reporting from Havana, also noted that “people appear untroubled by the lack of modern conveniences.” How different that is from what Singletary finds here in the States: “So many of us in America live what Cubans would consider very prosperous lives. Yet we worry that we don’t have enough while our homes are filled with gadgets and things paid for with money we don’t have. We shower our children with so much stuff that there is always a perpetual layer of toys in their pricey toy bins that they never play with again.”

Their very poverty, in the eyes of Singletary and Kaiser and Pinkston, has given Cubans a spiritual and cultural vibrancy lacking in the softer precincts of the United States.

There is something obscene about visitors to Cuba who revel in the privation that Cubans have not chosen for themselves. It may be true that hardship is good for the soul, but none of those singing its praises have taken their kids to Pennsylvania to bring them up as Mennonites.

In the view of those who have journeyed to Cuba in the wake of Elian Gonzalez’s rescue last year or have only paid vicarious imaginary visits to its shores (like Diane Roberts), it seems that Fidel’s fiefdom may well be a civil society superior to the raucous streets of Miami—which is, recall, a place in which hundreds of thousands of people born in Cuba have demonstrated they can prosper and exercise democratic political power if they are given the right to do so.

It was precisely opinions like these—wide-eyed, credulous expressions of moral equivalence between a totalitarian tyranny and the taken-for-granted freedoms of the West—that helped solidify the anti-Communist alliance whenever differences on other matters threatened to tear it asunder. The return of the useful idiots has brought anti-communism back to life.

Our Cold War has begun anew.

*The Weekly Standard*, May 8, 2000, p. 14, 16

# Russia's Cuban Connection

by Stanislav Lunev, Part 2

The strategic importance of the Laurdez station has grown substantially since a secret order was issued by former President Boris Yeltsin on Feb. 7, 1996, that requires Russian intelligence to intensify the theft of American and other Western trade and manufacturing secrets.

This military and domestic espionage presents a formidable threat to the United States. If there are still those who remain skeptical, to quote his own words, "America's friend in the Kremlin" Yeltsin ordered his secret agents "to close the technology gap with the West and to make better use of industrial espionage."

The existence of the Laurdez SIGNIT station is, nevertheless, well known to the West. But it is only one of a number of secret Russian military presences in Cuba. The others have still maintained a successful cover. Only a very limited number of intelligence specialists are aware that the Laurdez station is merely a part of the Russian intelligence operations in Cuba, which are under the general command of the main GRU [Russian Military Strategic Intelligence Agency] center on the island.

This center, located near Havana, exists in addition to the GRU field office, which operates out of the Russian Federation embassy. The operatives in the center, as well as those of the embassy, have as their chief assignment the recruitment of people from the Latin American countries. They train and send them to the United States, Canada and other areas of the world to spy against America and its allies. The Russian-intelligence presence in Cuba comprises hundreds of highly trained professionals.

In addition to GRU operations, the SVR (formerly the KGB) has its own separate field office, intelligence center and other intelligence stations. Hundreds of SVR intelligence officers in Cuba are doing the same job as the GRU agents, and their primary target is penetrating secrets of America as well as those of its allies. Thus, the Russian Federation is willing to pay any price to keep the Castro regime in power.

The new Russian elite considers Cuba an invaluable transshipment nexus for drug trafficking from the so-called Golden Triangle and Central Asia to the American continent. Moscow's Komsolmolskaya Pravda (July 1995) disclosed that Cuba is an essential linchpin in the drug operations of the most powerful Russian financial and industrial consortia, created in the 1990s by former KGB officers with former KGB and Communist Party money.

This organization is headed by a four-star general, who was the first-deputy KGB chief and boss of the fifth KGB Main Directorate. He is known for persecuting Soviet dissidents. His former KGB officers took control of, and expanded, the drug route from Afghanistan to the United States and Western Europe via the Trans-Caucasus and Russia.

These former KGB officers, the Moscow paper noted, linked up with other former KGB men working in drug-producing areas of Laos, Burma, Cambodia and Korea and with the KGB stationed at Camran Bay, Vietnam. They then set up a shipment chain between Cuba and these regions and the drug lords in Italy, Romania and Colombia.

The Castro regime has not shed its totalitarian nature and it never will. In addition to Russian aid, it is being bolstered by support from other totalitarian and rogue states. These countries all have one major characteristic in common—they hate the United States and see Cuba as a springboard for their anti-American purposes. It isn't easy to assess the scope of these influences, but, in the words of the Russian newspaper Segodny, the Kremlin has proclaimed that "Russia needs the Freedom Island again."

With Moscow's ongoing rapprochement with Cuba, the prominent military analyst Pavel Felgengaur, well known for his high-level R.F. military-defense contacts, stated in the same article, "If NATO seriously contemplates deploying its nuclear weapons in Poland, our nuclear missiles may reappear in Cuba."

Russia continues to play its game of giving with one hand and taking with the other. Despite the reduction in the size of its nuclear arsenal, it is not only using Western dollars to upgrade its nuclear-missile and other military technology, but also is threatening to redeploy its weaponry on the soil of our nearest Atlantic neighbor. Yet, many Americans would like to "normalize" relations with this neighbor.

In reality, so-called normalization boils down to the usual common denominator, "money." Normalization—i.e., accommodation of Castro despotism—means big bucks for profit-hungry businessmen in the short term, but would seriously weaken the United States in the long term. In the latter case, no one wins, for no one will prosper in the second-rate, subjugated America that will be the final result.

Let us hope we will not help fulfill Lenin's prophecy by selling communist dictators the "rope" with which to hang us.

*Internet Vortex*, April 2000, p. 25, 26.

# The Hammer-Gore Connection

by John Elvin, Part 1

Why should anyone care, at this late date, about Vice President Al Gore's relationship with philanthropist-industrialist Armand Hammer, a wealthy, globe-trotting dabbler in diplomacy who died eight years ago? Well, of course, there is the small matter that Hammer was a top-shelf Soviet agent, but he might not have mentioned that to Gore.

And there's more. "Al Gore's relationship to the late Armand Hammer and Occidental Petroleum is important for many reasons," according to Charles Lewis, director of the Center for Public Integrity and author of *The Buying of the President 2000*. Lewis tells *Insight*: "There is no U.S. company that Gore is closer to, financially or socially, than Occidental, one of the most controversial in America. It was Occidental, via Hooker Chemical, that brought us Love Canal in the 1970s. The configuration of the vice president, Al 'Earth in the Balance' Gore, with an oil company is more than a little surprising."

Does this mean that Gore's highly touted environmentalism is tainted with oil? Actually oil, coal and zinc, but the biggest taint was Hammer himself. It's a matter about which the vice president is more than a little sensitive.

The experience of Bob Zelnick, a veteran ABC News correspondent, might be instructive to anyone delving into the links. Zelnick was warned off from reporting the Hammer-Gore connection when he commenced writing his book, *Gore, A Political Life*. Zelnick was told in no uncertain terms by Gore staffers that the vice president would "personally resent" intrusions by the reporter into his family affairs and that Gore was "extremely sensitive" about the Hammer connection. But the reporter pursued his subject despite resistance by the Gore camp. Then, with the book nearing completion, he was told by ABC that unless he dropped the project his newscasting contract would not be renewed.

Such an ultimatum is extraordinarily rare; usually, media employers are pleased when one of their own becomes an author—as a result they benefit by association. Instead, Zelnick not only was warned off but was fired when he refused to cave.

The reason for ABC's action, Zelnick was told in a memo from his boss, David Westin, was that the network could be "held up to ridicule that our reporting is influenced by views you/we have formed about the individual covered." This was

a smoke screen that could be dispersed quicker than you could say "Sam Donaldson," Zelnick decided, knowing that ABC's Donaldson had written and commented extensively about individuals he covered. Believing that the real reason was ideological, Zelnick left ABC for academe.

After all that fuss, Zelnick presented a passable account of the Gore-Hammer relationship but gave credit for the material mainly to Edward Jay Epstein's *Dossier: The Secret History of Armand Hammer*. The connections revealed by Epstein include Hammer's cultivation of Albert Gore Sr., a fiddle-playing hill-country tobacco farmer of grand ambition who rose to become an influential U.S. Senator from Tennessee.

The elder Gore made many a mark upon the American landscape in the course of his career; he was a kingpin in the establishment of the mighty Tennessee Valley Authority, or TVA, effort to socialize electrical power and a sponsor of the \$50 billion National Highway Defense Act of 1956, the largest public-works project ever undertaken. He initially acquired substantial wealth as Hammer's partner in the cattle business.

Zelnick notes that, while receiving prize Angus stock from Hammer on the one hand, Gore Sr. at the same time auctioned off portions of his herd—reportedly at outrageously high prices—to lobbyist and others who wanted his attention. Sometimes, according to local accounts, purchasers didn't even bother to pick up the livestock they had bought. The author quotes former Tennessee Gov. Ned McWherter, a staunch Gore ally: "I've sold some Angus in my time, too, but I never got the kind of prices for my cattle that the Gores got for theirs."

According to scholars who have reviewed Gore Sr.'s archived letters at the University of Tennessee, the senator did many favors for Hammer over the years, intervening when U.S. policies conflicted with Hammer's international wheeler-dealing. "Through the 1950s and well into the following decade, Hammer counted on Gore as his principal link to the Democratic congressional leadership, and to defend his economic interests," writes Zelnick.

Another source familiar with Hammer, Neil Lyndon, a former personal assistant who helped compile the last in a string of authorized and, critics say, largely fictive biographies or autobiographies of Hammer, says the younger Gore and

Hammer engaged in a “profound and prolonged involvement” as social and political cronies. Lyndon credits Gore Sr. with arranging the meeting that propelled puny Occidental Petroleum from a tiny holding with two wells into a major player.

“As [a member] of the powerful Senate Foreign Relations Committee, Gore [Sr.] used his influence on the U.S. ambassador in Libya to arrange a meeting between Hammer and King Idris,” then ruler of Libya. Lyndon says Hammer bribed the old king and a few ministers with slightly more than \$5 million and gained a concession that ultimately would yield \$7.5 billion per year in oil revenues. “Al Gore Sr. was at Hammer’s side on the day he paraded King Idris up a red carpet laid on the desert to open the new field.”

It was on advice from Sen. Gore that President Kennedy appointed Hammer as an economic emissary of the Commerce Department and sent him to the United Kingdom, France, West Germany, Italy, Libya, India, Japan and the Soviet Union. This was going on even as Hammer devoted no small amount of energy to his clandestine role as a Soviet agent, shuffling money back and forth between Russia and the United States.

Was the U.S. intelligence community asleep at the wheel? Actually, FBI director J. Edgar Hoover had been observing Hammer’s operations since the 1920s and was well-aware of his role as a Soviet agent, but Hoover also was aware of the political realities. During the Franklin Roosevelt administration, when Hoover was gathering power and building the FBI into a first-class investigative agency, Hammer was all but invulnerable due to close ties as a White House regular and benefactor of Eleanor Roosevelt. Later, Gore Sr. chaired the Senate committee overseeing FBI activities. Through Gore and other top Washington connections, Hammer continued to checkmate Hoover.

“Hammer was involved in any number of dubious dealings all over the world,” Lewis tells *Insight*. “He was personally close to both Al Jr. and his father, who was paid \$500,000 by Occidental upon losing his Senate seat.” In fact, as president of Occidental’s Island Creek coal division and a member of Occidental’s board of directors, Gore Sr.’s salary was reported as \$750,000 per year back in the days when three-quarters of a million dollars was real money. Island Creek was at the time the third-largest coal producer in the United States.

Once free of Hammer’s payroll, Lyndon tore a fairly large chunk out of the hand that had fed him, terming his former boss “one of the [last] century’s most sinister figures,” as well as “the godfather of American corruption” who “bribed and suborned elected representatives at all levels of American life, from city assemblymen and mayors to presidents.” Lyndon said in an article in London’s *Sunday Review* that Hammer

liked to claim he had Gore Sr. “in my back pocket,” patting his wallet with a chuckle.

During the time he worked for Hammer, authorized biographer Lyndon says, Gore Jr. often dined with his father’s patron in the company of Occidental’s “lobbyists and fixers who, on Hammer’s behest, hosed tens of millions of dollars in bribes and favors into the political world.” As for Gore’s orchestration of VIP treatment for Hammer during the Bush inauguration, Lyndon asks: “Why did Gore Jr. allow himself to be so closely embroiled in a compromising connection with such an unalloyed crook? He had little choice. He inherited from his father the mantle of being Hammer’s principal boy in Washington. Gore’s father effectively delivered his son into Armand Hammer’s back pocket.”

That would be an example of the more forthright ways that Hammer did business with politicians. He also apparently was quite comfortable with covert dealings. In 1972, one of his operatives provided \$54,000 in laundered \$100 bills to Nixon fund-raiser Maurice Stans, a maneuver that resulted in Hammer’s conviction on three counts of making illegal campaign contributions. President Bush pardoned him in 1989 for that lapse in covering his tracks.

Earlier, Gore Jr. engineered Hammer into a section reserved for senators at Ronald Reagan’s 1981 inauguration. Reagan had been warned that Hammer was a Soviet agent and ignored Hammer’s attempts to greet him. And Reagan became one of the few presidents who evaded Hammer’s inroads, though he couldn’t totally ignore the philanthropist’s contributions to causes such as Nancy Reagan’s White House redecoration fund. He did not grant Hammer’s persistent pleas for a pardon for the Watergate Era misdemeanor convictions, and he didn’t appoint Hammer to any prestigious boards or committees. But Reagan did provide some cagey recognition in a note allowing that he valued Hammer’s “insights on our policy toward the Soviet Union.”

It would seem that Reagan was well-aware that he was thanking the fox for advice on protecting the henhouse. Sources tell *Insight* that, in the 1980s, then-president Reagan asked international journalist Arnaud de Borchgrave about Hammer at a dinner in Los Angeles. “Reagan had just read Arnaud’s book, *The Spike*, containing descriptions of the different types of Soviet agents,” according to one of the sources familiar with the story. “Arnaud described Hammer as a Soviet agent of influence. Reagan said, ‘I’ve known that, but I wanted to get it from somebody who really knows.’”

Watch for the conclusion of this article in the August *Schwarz Report*.

*Insight*, May 22, 2000, pp. 10-13, 31



# The Schwarz Report Bookshelf



- *Beating the Unbeatable Foe*, Fred C. Schwarz.....\$25.00
- *You Can Trust the Communists... to be Communists*, Fred C. Schwarz..... \$5.00
- *Understanding The Times: The Religious Worldviews of Our Day and the Search for Truth*, David A. Noebel..... \$25.00
- *Understanding The Times* (abridged), David A. Noebel ... \$14.95
- *Clergy in the Classroom*, David A. Noebel, et. al. .... \$9.95
- *AIDS: What the Government Isn't Telling You*, Lorraine Day...\$22.95
- *America's Second Crusade*, William H. Chamberlin.....\$3.95
- *America's 30 Years War*, Balint Vazsonyi ..... \$24.95
- *Another Gospel: A Confrontation with Liberation Theology*, Paul C. McGlasson. .... \$7.99
- *Baker Encyclo. of Christian Apologetics*, N. L. Geisler ....\$49.95
- *Beyond Liberation Theology*, Ronald H. Nash..... \$12.95
- *The Black Book of Communism: Crimes, Terror, Repression*, Stephane Courtois, ed..... \$37.50
- *China: Debates the Future Security Environment*, Michael Pillsbury.....\$25.00
- *Chinese Views of Future Warfare*, Michael Pillsbury.....\$25.00
- *A Christian Manifesto*, Francis A. Schaeffer.....\$9.95
- *Cloning of the American Mind*, B.K. Eakman.....\$22.00
- *The Committee and Its Critics*, William F. Buckley.....\$9.95
- *Communism, the Cold War, and the FBI Connection*, Herman Bly .....\$12.95
- *Darwin's Black Box*, Michael J. Behe.....\$25.00
- *The Death of Truth*, Dennis McCallum, ed. .... \$12.95
- *Dictatorship of Virtue*, Richard Bernstein..... \$12.95
- *God and Man: Perspectives on Christianity in the 20th Century*, Michael Bauman, ed. .... \$9.95
- *Hollywood Party: How Communism Seduced the American Film Industry in the 1930s and 1940s*, Kenneth Lloyd Billingsley.....\$25.00
- *Is the Comintern Coming Back?*, Wallace H. Spaulding....\$38.00
- *Joseph McCarthy: Re-examining the Life and Legacy of America's Most Hated Senator*, Herman Arthur.....\$26.00
- *The Key to Peace*, Clarence Manion.....\$2.00
- *Kinsey: Crimes and Consequences the Red Queen and the Grand Scheme*, Judith A. Reisman. ....\$24.95
- *The Long War Against God*, Henry M. Morris.....\$25.00
- *Masters of Deceit*, J. Edgar Hoover ..... \$7.99
- *The Menace of Multiculturalism*, Alvin J. Schmidt.....\$34.95
- *Morality and the Marketplace*, Michael Bauman, ed. .... \$9.95
- *The Naked Communist*, W. Cleon Skousen ..... \$17.50
- *The New Red China Lobby*, Robert Hunter and Forrest Davis...\$2.00
- *The Noblest Triumph*, Tom Bethell..... \$29.95
- *None Dare Call It Treason: 25 Years Later*, John Stormer.....\$9.95
- *None Dare Call It Education*, John Stormer.....\$21.00
- *Postmodern Times*, Gene Edward Veith, Jr.....\$14.95
- *A Program For Conservatives*, Russell Kirk .....\$3.00
- *The Quest for Cosmic Justice*, Thomas Sowell.....\$25.00
- *Radical Son*, David Horowitz.....\$27.50
- *Red Cocaine: The Drugging of America*, Joseph D. Douglas....\$14.95
- *The Redhunter: A Novel Based on the Life and Times of Senator Joe McCarthy*, William F. Buckley .....\$25.00
- *The Road to Socialism and the New World Order*, Dennis L. Cuddy.....\$6.95
- *The Secret World of American Communism*, Harvey Klehr, John Earl Haynes, Fridrikh Firsov.....\$24.95
- *Shattering the Myths of Darwinism*, Richard Milton.....\$24.95
- *Socialism: An Economic & Sociological Analysis*, Ludwig Von Mises ..... \$10.95
- *Tenured Radicals*, Roger Kimball.....\$18.95
- *Troublemaker: One Man's Crusade Against China's Cruelty*, Harry Wu ..... \$25.00
- *Venona: Decoding Soviet Espionage in America*, John Earl Haynes, Harvey Klehr.....\$30.00
- *Why the Left is Not Right*, Ronald H. Nash.....\$10.99
- *Witness*, Whittaker Chambers.....\$14.95
- *Workers' Paradise Lost*, Eugene Lyons.....\$9.95
- *Year of the Rat*, Edward Timperlake, William C. Triplett II...\$24.95
- Video, *Clergy in the Classroom*.....\$19.95
- Video, *Political Correctness*.....\$19.95
- Video, *The Marxist/Leninist Worldview*.....\$19.95

"An authentic section of the Berlin Wall, donated in April 1990 to President Reagan for his unwavering dedication to humanitarianism and freedom over communism throughout his presidency." Reagan Library and Museum, Simi Valley, California

You may order these materials for your own Schwarz Report Bookshelf by calling (719) 685-9043, or by writing the Christian Anti-Communism Crusade, PO Box 129, Manitou Springs, CO 80829. **Payment must accompany your order. For shipping, please add \$5.00 or 12 percent of total order, whichever is greater.** Allow 3-4 weeks for delivery.