

Asian leaders expose George Soros's crimes

by Michael O. and Gail G. Billington

Over the month of July, speculator George Soros, as well as individuals associated with the Bush political apparatus in the Republican Party, have been directly exposed, by leaders of several American allies in Southeast Asia, for both financial crimes, and for overt and covert criminal subversions of sovereign states in the region. Malaysia's Foreign Minister Abdullah Badawi, addressing the foreign ministers conference at the annual ministerial meeting of the Association of Southeast Asian Nations (ASEAN) in Malaysia on July 28, called the speculative June and July attacks on Southeast Asian currencies, led by Soros, the "height of international criminality. . . . It is time that we recognize these actions for what they really are, namely, villainous acts of sabotage."

Malaysia's Prime Minister Dr. Mahathir Mohamad issued a series of stinging attacks, first in Japan, where he identified a "certain powerful American financier . . . who is patron of a foundation," without directly naming Soros. Later, at the ASEAN meetings, he went further, linking Soros's greed to his *political* objectives. Mahathir denounced individuals who were "speculating in currencies to make money for themselves. Sometimes they have a political agenda, and the countries of ASEAN have become their targets." He identified Soros and his "Open Society" organizations as central in the effort to depress the economies of ASEAN, adding that Soros was "known as a man who has tried to use his financial clout in the United States to block Myanmar's admission into ASEAN. It is very difficult to separate the right hand and the left hand. . . . In this case, it is quite obvious there is a convergence."

On July 28, Malaysia's *The Star* newspaper quoted Mahathir referring to the likes of Michael Milken and Ivan Boesky, saying, "When three or four people manipulated the

trading of junk bonds in the United States, causing others to incur huge losses, the authorities arrested and jailed them. But when this happens to us, they define it as an open market situation." He said all countries would remain exposed to the risk of currency sabotage, as long as the international community does not regard it as a crime, adding that "this phenomenon will be repeated, and it is for this reason that we must regard it as a crime."

The Soros-led assault on the Thai currency, the baht, began in February, and culminated on July 2, when Thailand allowed the baht to float (a more than 20% de facto devaluation thus far) after having spent up to \$15 billion, according to unofficial estimates, in a futile attempt to defend its currency. Readers of *EIR* know that Soros timed the attacks in order to punish Thailand for its support for Myanmar's successful military operations against the ethnic insurgents and drug armies—which are supported by British intelligence and by Soros's billions. Soros and his British mentors are desperately trying to prevent the State Law and Order Restoration Council (SLORC), Myanmar's ruling military regime, from establishing central control over the territorial integrity of the country, especially the drug-producing areas of northern Myanmar, which have *never*, since British imperial takeover in the 19th century, been controlled by Yangon (formerly Rangoon). Rather, the British Empire consistently, directly or indirectly, allowed the *open borders* to flourish as zones of drug-production and other illicit trafficking.

Ring of chaos around China

The ultimate target is China. The British are particularly worried about the increasingly close collaboration between China and the ASEAN nations, which are being integrated

into the massive regional and continental development projects initiated by China under the umbrella of the Eurasian Continental Land-Bridge program. Such real development policies offer the alternative to the cheap-labor, colonial-style export industries of the “globalization” model—the model that has led to the financial bubble now bursting worldwide.

The ASEAN leaders are generally attempting to maintain the myth, at least for public consumption, that their economies are fundamentally sound, and would be fine, if it were not for the speculators. But as *EIR* has documented, the so-called Southeast Asian Tiger “economic miracle” is a chimera, relying on for-export process industries, at artificially depressed wages and skill levels, growth of the service sector, especially financial services and tourism, and financed by increasingly “hot” money flows, particularly fickle foreign portfolio investments, and proceeds from gambling, drugs, and prostitution.

It is, to a certain extent, useful that this myth is now going the way of the “Mexican miracle,” which evaporated after the December 1994 crash of the peso. Nonetheless, it is absolutely the case, that Soros, who represents precisely the British free-trade, libertarian outlook which *created* the “globalization” bubble, is guilty of criminal looting of the ASEAN nations (and many others around the world). The governments of Thailand, Myanmar, and Malaysia have denounced him by name for his deliberate theft of their reserves. Mahathir, however, is the first leader to identify the political motives underlying these crimes.

Soros is not only financing subversive operations in Myanmar, aimed at preserving foreign control of the “open society” of the notorious Golden Triangle, but he is simultaneously financing the equally criminal effort to “legalize” drugs in the United States and elsewhere. The Clinton White House has moved forcefully to counter the legalization campaign, and is investigating the role of Soros in financing the drug legalization referenda passed in Arizona and California in the November 1996 elections, which the administration has worked to reverse.

Madeleine Albright’s roadshow

It is therefore all the more incredible that U.S. Secretary of State Madeleine Albright, State Department spokesman Nicholas Burns, and Undersecretary of State Stuart Eizenstat, rushed to *defend* Soros against the well-documented accusations of the ASEAN leaders. Burns told a press conference in Malaysia on July 27 that the United States “does not think that there is a conspiracy in the speculations over the ASEAN currencies,” and would not “speculate” if George Soros were the man behind it. “We respect him a lot,” Burns said. “Soros has a lot of weight and financial interest in the world.”

Undersecretary of State for Economic, Business and Agricultural Affairs Stuart Eizenstat, muddied the waters further, saying on July 28, “Blaming these events on speculators

is not supported by the evidence. Experience suggests that market movements are not dominated by a small number of currency speculators, let alone one person, who happens to be a U.S. citizen.”

Secretary of State Albright formally announced, during the ASEAN meetings, President Clinton’s policy to respect ASEAN’s decision to welcome Myanmar into the organization, based on Clinton’s agreement with ASEAN that “constructive engagement” and joint economic development are far superior to confrontation and civil war. However, Albright hit the roof following the July 29 speech of Myanmar’s Foreign Minister Ohn Gyaw to the ASEAN Regional Forum, in which he outlined his country’s actions at home and with its neighbors, particularly China and Thailand, to end drug production, which, he said, was a lingering problem since Britain introduced opium poppy. Albright repeatedly launched into tirades against SLORC as a “brutal dictatorship,” which “protects and profits from the drug trade,” only to turn around and openly defend the most notorious proponent of drug legalization in the United States, George Soros.

From the standpoint of the most fundamental interests of the United States, Soros truly is a “pariah,” whose “British” pedigree could not be more sterling: trained at the London School of Economics by recently deceased Sir Karl Popper, Soros keeps his Quantum Fund billions safely offshore in British and Dutch colonies, out of reach of U.S., or other, regulatory authorities, where it serves Queen Elizabeth II, personally, the partners who gave him his start, the Rothschilds, and “the families’ ” political agenda.

At an informal event, marking the close of the ASEAN meetings, Albright trivialized her wrong-headed clash over Soros’s criminality, with the help of her State Department staffers, singing a parody of the song that the rock star Madonna sang equally off-key in the film version of the Broadway hit, *Evita*, “Don’t Cry for Me, Argentina.” The lyrics, reportedly written by Albright, teased that she “called George Soros/ Talked market forces/ Hatched a conspiracy/ The rest is history.” (Appropriately enough, one of Albright’s security guards accidentally shot himself in the foot in the latter phase of the ASEAN meetings. Albright’s self-inflicted embarrassment was *not* accidental, but will have more serious and lasting consequences.)

Asked about the Albright performance in a radio interview with “EIR Talks” on July 29, Lyndon LaRouche commented that “an abortion occurred recently, which was conducted officially, by the Secretary of State of the United States, Madeleine Albright, who in a meeting of East Asian countries with the United States, along with Nick Burns, . . . in a sense, made fools of themselves, . . . defending the speculators, such as George Soros, who are the birds of prey, feeding on the carrion of financial and economic and monetary collapse in these parts of the world. . . . Of course, Mrs. Al-

bright . . . got her job through the Senate Foreign Relations Committee, so to speak, as one of the few candidates that Jesse Helms wouldn't veto, were the President to nominate another candidate, for example."

ASEAN's search for regional unity

The ASEAN nations had originally planned to induct Myanmar, Laos, and Cambodia into the Association at these July meetings, thereby uniting the 10 archipelagic and continental nations of Southeast Asia for the first time. For the past year, the British and their allies, centered in the Washington-based National Endowment for Democracy (NED) and its diversified non-governmental organizations (NGOs), have put increasing pressure on ASEAN to block admission of Cambodia and, especially, Myanmar. These efforts failed, although Cambodia's membership has been temporarily postponed due to the government crisis that erupted in the capital Phnom Penh in early July.

Not only was Myanmar welcomed in, but only a month before the conference, on June 27, SLORC Secretary No. 1 Khin Nyunt stunned a press conference in Yangon, releasing extensive documentation of subversive, even terrorist, acts being directly supported by Americans associated with the International Republican Institute (IRI), the Republican wing of the NED, which is largely controlled by the Bush apparatus in the Republican Party, as well as the Soros-funded networks. In fact, both the IRI and Soros groups, in their literature, openly acknowledge their covert operations within Myanmar, aimed at bringing down the SLORC government in favor of British intelligence asset, Aung San Suu Kyi. Suu Kyi, together with her British husband, Oxford don Michael Aris, participated in British intelligence operations and publications targetting Tibet even before her return to Myanmar from decades-long residence in England in 1988. She has subsequently campaigned for international boycotts and sanctions against her native land.

Gen. Khin Nyunt presented evidence of intercepted telephone calls and testimony of defectors from the National League for Democracy (NLD), Suu Kyi's party, to make the case. Later in July, he met with leaders of the NLD, without Suu Kyi present, the first meeting between SLORC and the NLD since Suu Kyi pulled the party out of the constitutional convention in 1995. He presented the leaders with evidence of Suu Kyi's complicity with foreign institutions bent on undermining the country's development. This effort to isolate the British-controlled Suu Kyi faction within the NLD could well lead to an accommodation between the military and those opposition patriots, who honestly seek to improve the general welfare of the country and its people.

Cambodia's right to justice

Even more dramatic developments, though of a similar type, swept Cambodia into world headlines during the month of July—despite the preponderance of disinformation re-

ported. Since 1993, Cambodia has been governed by a tense coalition of two "co-prime ministers": Prince Norodom Ranariddh, son of King Sihanouk, as first prime minister; and Hun Sen, a former Khmer Rouge leader who broke with Pol Pot over his "killing fields" policy of the late 1970s, as second prime minister. Hun Sen joined in Vietnamese military operations to oust the Khmer Rouge in 1979, becoming Cambodia's head of state between 1979 and 1993, while Prince Ranariddh formed a loose coalition with the Khmer Rouge against the Hun Sen government. The Reagan and Bush administrations, from 1980 to 1991, recognized the genocidal Khmer Rouge-tainted opposition, rather than the Vietnamese-backed Hun Sen. In 1993, Prince Ranariddh won a UN-sponsored election by a narrow margin, but agreed to the "co-prime minister" arrangement with Hun Sen, ending the civil war.

Phnom Penh, however, became a playground for international agencies and NGOs of every stripe, but especially weighted toward "human rights" and "free press." The IRI set up its Asia-wide headquarters there, and cultivated former finance minister and member of Ranariddh's royalist Funcinpec party, Sam Rainsy, as the champion of globalization, free trade, and deregulation. Upon leaving government, Rainsy quit Funcinpec and formed his own, more militantly anti-Hun Sen party, Khmer Nation Party. He became the darling of the international "pro-democracy" networks sponsored by Soros, the British, and the NED, calling Hun Sen a dictator, and demanding international sanctions and boycotts against Cambodia, perhaps dreaming of joining Aung San Suu Kyi as the next Nobel Peace Prize recipient for service to the British oligarchy.

In March 1997, terrorists threw hand grenades into one of Rainsy's campaign rallies in Phnom Penh, killing 20 and injuring dozens. Hun Sen was quickly blamed, but denied the charge and ordered a full investigation. Interestingly, however, among the injured was one of Rainsy's IRI controllers, American Ron Abney, whose injuries became the pretext for the FBI to be brought in to investigate.

Courting the bloody Khmer Rouge

Over the past year, the uneasy coalition between Hun Sen and Ranariddh turned sour, as Ranariddh began openly courting the remnants of the Khmer Rouge to form a coalition with Funcinpec and Rainsy's IRI front group, while importing weapons for his personal military units. Hun Sen warned that Cambodia could not tolerate any role for the Khmer Rouge in government. Meanwhile, improved relations with China and Thailand made it increasingly possible for the Cambodian army to isolate and destroy militarily the remaining forces of Pol Pot's hated Khmer Rouge military along the border areas with Thailand.

On July 3, Prince Ranariddh went to Bangkok to meet with Khmer Rouge officials, while the leading general loyal to the prince, Gen. Nhek Bun Cheay, was meeting with Pol Pot's right-hand man throughout the years of genocide,

Khieu Samphan, in the last remaining outpost on the Thai border. The deal was struck—despite Ranariddh’s pathetic denials in Washington a week later—for the “new” Khmer Rouge under Khieu Samphan, perhaps under a different name, to join in the government, while denouncing the dying Pol Pot as the sole source of evil, and turning him over for trial.

Hun Sen moved to quash this potential disaster. Cambodian troops moved against the units loyal to Ranariddh on July 5-6, driving them out of the capital, and eventually out of all but a small pocket on the Thai border, near Khmer Rouge headquarters at Anlong Veng. He arrested only a few top leaders, although two were reportedly killed in captivity. Ranariddh and Rainsy met up in France, and then sought international support, but the Asian nations were politely non-committal. While expressing concern over the violence, and postponing Cambodia’s entry into ASEAN until the situation is settled, it was immediately clear that the ASEAN nations, as well as China and Japan, were all aware of the imminent danger in the threatened alliance between the prince, Rainsy, and the Khmer Rouge, as well as the foreign sources of support for this devil’s stew. Hun Sen announced that he would honor the constitutional alliance between his party and the Funcinpec, but without Prince Ranariddh, and recommended respected Foreign Minister Ung Huot, himself a member of Funcinpec, to replace the prince as co-prime minister. The majority of Funcinpec ministers, who did not flee the country with Ranariddh, agreed.

Prince Ranariddh was heralded as a hero in Washington by IRI-linked Senators Jesse Helms (R-N.C.), John McCain (R-Ariz.), and others, who demanded President Clinton take strong action to reinstate the prince. President Clinton was understandably cautious—it was made clear that the United States would not tolerate any return of the Khmer Rouge to power, and would generally follow the lead of the ASEAN nations in reinstating peace in Cambodia. At the July ASEAN meetings, the participants agreed to work with Hun Sen’s government to establish stability, without demanding the return of Prince Ranariddh to power.

The conclusive proof that the prince and his British and IRI backers were planning to revive the Khmer Rouge alliance, surfaced on the Monday, July 28 “Nightline” broadcast on ABC News. On the previous Friday, July 25, the Khmer Rouge had staged a vaudevillian “trial” of Pol Pot in their jungle hideout of Anlong Veng, inviting reporter Nate Thayer from the *Far Eastern Economic Review*, the Dow Jones publication based in Hongkong, which has functioned as the primary British voice in attacks on China, Myanmar, and Cambodia. Thayer and a cameraman recorded the macabre charade, although news of the trial was kept secret for four days in order to provide “Nightline” with a lucrative, exclusive scoop. The “trial” was such a farce, that even anchorman Ted Koppel disclaimed its credibility—despite the tearful (literally) protestations of Thayer that the

Khmer Rouge was “sincere” in denouncing Pol Pot. Thayer, in his written report in *Far Eastern Economic Review*, admitted that Pol Pot was only “tried” for ordering the assassination of a factional opponent, not for the genocide during his reign of terror which killed between 1 and 2 million Cambodians. Nonetheless, Thayer argued that Khieu Samphan’s faction seek “democracy” and are prepared to join the government with Prince Ranariddh against the “evil” Hun Sen. *Far Eastern Economic Review*’s sister publication, the *Wall Street Journal* in New York, argued editorially that the problem in Cambodia was not Pol Pot, but Hun Sen.

Such desperate tactics do not seem likely to have much effect on the growing resolve of the ASEAN nations to reject the British “divide and conquer” tactics. The danger is far from over, however. Both the Philippines and Thailand—the hardest hit by the July speculative assault on their currencies—have turned to the International Monetary Fund for emergency funds to “save” them, at the cost of IMF controls and conditions on their economies. In addition, the IMF is now increasingly demanding controls over both economic and *political* policies for their “clients”—what they euphemistically call “good governance” conditionalities. Thailand’s Anglophile newspaper *The Nation* editorialized on July 28 that the Thai leadership had failed in governing, and must thus “pass this task on to the IMF. This means *all government agencies*—perhaps except the Foreign Ministry—would be subject to a strict IMF program.”

The fight that erupted in the ASEAN meetings is by no means over. Malaysia’s *The Star* reported on July 28, following the post-ministerial conference, that Prime Minister Mahathir had met with participating ministers in his office, where the discussion of currency speculation had continued. Foreign Minister Badawi told *The Star* that Mahathir had agreed to raise the subject at the November meeting of the Asia-Pacific Economic Cooperation (APEC) summit in Vancouver, Canada. According to Badawi, “Several foreign ministers felt that APEC will be the right forum to discuss the matter, and the prime minister said he would do so.” Since then, Mahathir has said he will consider a debate with Soros in a public forum.

This fight will continue, most of all, because the explosion of the national financial bubbles of the Southeast Asian “tigers” is but a symptom of the unfolding collapse of the world banking structure. Capitulation to IMF controls at this stage of the global crisis will be just as destructive as capitulation to the speculation and political subversion of Soros and his associates. It is the equivalent of appealing to Hitler for help against the Gestapo. These nations must join in the call for a “New Bretton Woods” conference, to build a new world financial system, to replace the IMF, while pursuing the “great projects” policies with China and other nations. Otherwise, the 450 million people of Southeast Asia will be dragged down by the emerging crisis into conditions like those now ravaging central Africa.