

# Soros loses his cool over speculation, drugs

by Jeffrey Steinberg

Global speculator George Soros came to Washington for the week-long International Monetary Fund (IMF) festivities during the week of Oct. 5, expecting to pull off yet another world-class con-job, this time, against the assembled “poo-bahs” of world finance. But, things didn’t work out as Soros planned.

On Oct. 5, the hedge fund boss who made billions wrecking the currencies and economies of countries from South-east Asia to continental Europe, delivered a public address at the Omni Shoreham Hotel, sponsored by *Foreign Policy* magazine. The majority of several hundred bankers, government officials, and financial press who gathered to hear Soros wax eloquent about the global financial crisis and the need for re-regulation, were bamboozled by the slick-talking speculator, who doubles as an amateur Aristotelian philosopher, with Oxford credentials.

Those who took the time to read the press handout, and studied excerpts from Soros’s forthcoming book, *The Crisis in Global Capitalism*, would have realized that Soros’s idea of “re-regulation” is to enhance the powers of the International Monetary Fund and other supranational agencies, and to eliminate economic national sovereignty. In fact, Soros at one point lamented, in front of the audience, that the IMF “had not gone far enough” in imposing murderous austerity conditions on the countries of Asia and Ibero-America, and Russia.

## Frayed around the edges

But even as the public question-and-answer session ensued, there were signs that Soros was a bit frayed around the edges by the recent wild gyrations on the financial markets. In response to a question by a Malaysian reporter, who gingerly asked about Soros’s opinion of Prime Minister Dr. Mahathir bin Mohamad’s recent curbs on flight capital and currency speculation, Soros lashed out, saying that the questioner was “an extremist” and an enemy, along with Mahathir, of his cherished “open society.”

The moderator of the event carefully controlled the question-and-answer session, calling, almost exclusively, on familiar faces who would be certain to propitiate the guest speaker.

But, after the formal session broke up, Soros stayed

behind to answer questions from a large group of reporters, who rushed to the stage. With cameras and tape-recorders rolling, this author got the chance to ask Soros several pointed questions, that ultimately drove him to the nearest exit.

*EIR* asked, “Mr. Soros, don’t you think that you were being rather hypocritical, talking about the need to curb hedge funds and other speculators, when you were one of the biggest looters of Asia, and even Europe? Why didn’t you tell these folks that you are under investigation by the Italian government, by Taiwan, Malaysia, Belarus, and others for currency manipulations?”

Soros, maintaining his cool, admitted that “it is true the Italian government is investigating me, but the Italians love to investigate and I do not take them seriously.” Soros then went into a convoluted explanation of how he had bet against the Thai and Malaysian currencies three months *before* they collapsed, and, therefore, he was innocent of manipulating them in February 1997.

The next day, *La Repubblica*, the Milan daily, published a report of Soros’s scoffing remarks at the Italian probe.

Later on in Soros’s free-wheeling exchange with the press, *EIR* got a chance to pose a second question: “Mr. Soros, Lyndon LaRouche has called for a return to the pre-1971 Bretton Woods system, with some improvements, to put an end to the currency speculation altogether. Would you support such a plan?”

Clearly bugged by the mere mention of the name “LaRouche,” Soros mumbled, “Yes, I could support such a plan.”

## Soros’s effort to legalize drugs

The final exchange drove Soros screaming from the room.

**EIR:** “Mr. Soros, how do you square your theory of open society with the fact that you are the biggest funder of organizations pushing for the legalization of drugs?”

**Soros** (screaming): “That is a lie! I am only encouraging debate over drug policy reform. . . .”

**EIR:** “You are lying. I have personally attended five conferences of the Drug Policy Foundation, which you bankroll, and I was there, when the TV cameras were turned off, to hear calls for the legalization of crack cocaine.”

**Soros:** “I never saw you at any of the conferences.”

**EIR:** “Do you want dates and places? Do you deny that you bankroll Eric Sterling?” [Sterling called for the legalization of crack at the November 1996 Drug Policy Foundation conference in Washington. The DPF had just received a \$15 million grant from Soros’s Open Society Institute.]

**Soros** (now obviously in a fury): “Look, you are a great guy, but I’ve had enough of this. I’m leaving.”

At which point Soros pushed through the crowd of reporters and fled the room.