

The Case of Malaysia

by Alexandra Perebikovsky

Technically, Malaysia gained its independence from the British Empire in 1957. Since then however, the British intention has been to continue using the nation as its very own playground for its free trade chaos and looting operations. In 1997, Lyndon LaRouche stated, “free-trade, practiced against the nations of Southeast Asia, is simply a new form of colonialism, whose fruit is mass murder. In that sense, there is no difference, in effect, on people, between free trade and Nazism.”

Up until the mid-1990s currency crisis, Malaysia was a staunch follower of globalization, albeit taking significant steps toward development in the years following its independence. Since the British deployment of George Soros into Southeast Asia to loot the currencies of these nations, Malaysia has changed its view. In the mid-1990’s, Lyndon LaRouche forecast that the so-called “Tigers” of Southeast Asia,¹ after years of globalization, hot money flows, and destructive speculative activity would suffer the same fate as Mexico after 1995—utter collapse. Indeed, in the months leading up to July 1997, Soros worked tirelessly to carry out London’s currency warfare, with the intent to collapse the Southeast Asian economies. The Tiger economies had succumbed to the flood of hot money in the 1990s, which created bubble economies based on inflated stock values and financial services. The government “guarantees” on foreign investments, imposed by the western speculators, ultimately bankrupted the Southeast Asian national economies.

Soros financed a large portion of this hot money. He began his attack on the Thai and Malaysian currencies in February of 1997 “with a zeal I haven’t seen since the successful assault on several European currencies around three years ago” according to one analyst.² Through speculation in futures markets, Soros’ Quantum Fund leveraged \$1.2 trillion. He took short positions against the Thai baht, the Philippine peso, the Indonesian rupiah, and the Malaysian ringgit, sending these currencies crashing by 40-70%, collapsing stock markets, and wiping out currency reserves. The breaking point was in July of 1997 when the Thai baht was forced to float, with greater than 20% devaluation, after

1. It turns out that the Southeast Asian Tigers were no better than those tigers of infamous “magicians” Siegfried and Roy—all doped up.

2. As described by Dawai Institute of Research Director Peter Scheifelbein, days after the meeting of Myanmar’s SLORC (State Law and Order Restoration Council).

the government had unsuccessfully spent over \$15 billion trying to defend the currency. The IMF austerity conditions imposed on these nations following the collapse drove their economies back 15-20 years in their potential for development and their standard of living.

On Sept. 20, 1997, Malaysian Prime Minister Dr. Mahathir bin Mohammed stood before the IMF and defiantly spoke out against the looting policies of the British Empire: “We in Malaysia laughed at the suggestion that our country would follow the fate of Mexico.... But now we know better. We know why it was suggested that Malaysia would go the way of Mexico. We know now that even as Mexico’s economic crash was manipulated and made to crash, the economies of other developing countries, too, can be suddenly manipulated and forced to bow to the great fund managers who have now come to be the people to decide who should prosper and who shouldn’t.”

Prior to the attack on the Southeast Asian markets, Mahathir had been an outspoken follower of globalization. However, following the British Empire’s organized takedown of the Malaysian economy, the fantasy of “free trade” was broken. Reflecting the proposals of economist Lyndon LaRouche, Dr. Mahathir launched his own attack against speculator George Soros, calling him a “moron.” *EIR*’s special report “The True Story of Soros the Golem; A Profile of Mega-Speculator George Soros,” circulated widely in Malaysia’s leading circles. London, surprised by Mahathir’s sudden backlash, unleashed a string of slanders, including an article published in the *Asian Wall Street Journal* on Sept. 19, 1997, titled: “Malaysia’s Mahathir Finds Strange Source for Soros Campaign; Asian Country’s Media Tap U.S. Conspiracy Theorist Lyndon LaRouche, Jr.” In an attempt to destroy any influence or connection Malaysia had to LaRouche, London deployed Soros once more to clean up the mess. Soros was given a chance to defend himself against Prime Minister Mahathir’s accusations and attempted to deny the charges—he was not successful:

Ted Koppel: “You’re talking here about the Malaysian Prime Minister.”

George Soros: “That’s right.”

Koppel: “And he, I mean his charge is that you, in effect, systematically set out to destroy Malaysia’s currency.”

Soros: “And that is absolute nonsense. Now, you know, what more can I say? It’s just absolutely no foundation at all.”

Koppel: “Because—I mean put it in easily understandable terms. I mean if you could have profited by destroying Malaysia’s currency, would you have shrunk from that?”

Soros: “Not necessarily, because that would have been an unintended consequence of my action. And it’s not my job as a participant to calculate the consequences. This is what a market is. That’s the nature of a market. So I’m a participant in the market.”

Koppel: “Apolitical, amoral?”

Soros: “That’s exactly right.”³



Swiss-image.ch/Remy Steinegger

Malaysian Prime Minister Dr. Mahathir bin Mohammed in 2002.

The Backlash

In September 1998, Dr. Mahathir shocked the world by declaring sovereign currency controls on the Malaysian ringgit, pegging the currency to a fixed exchange rate against the dollar, and thereby effectively ending the speculators’ ability to loot the country through currency speculation. Soros, and the entire Western financial oligarchy,

went berserk, claiming that Dr. Mahathir’s actions against IMF orthodoxy would bring damnation down upon his country. In fact, as was later obvious to all, his defense of the nation’s sovereignty saved the population from the devastation suffered by every other nation that had been subjected to Soros’ butcher knife.

Following Malaysia’s break with globalization, London launched an even nastier operation to create an internal crisis in Malaysia. Anwar Ibrahim was the deputy prime minister and chosen heir to Mahathir; he became the target to carry out the Empire’s brutal operation.

Anwar was later kicked out of his post as deputy prime minister because he “lacked the moral standards required” to lead the nation. Financed by Soros and his cronies through the Open Society Foundation, Anwar proceeded to launch a campaign to bring down the government of Malaysia. He portrayed himself as a freedom fighter and champion of free

3. Pre-recorded interview with Ted Koppel, ABC News Nightline, Oct. 7, 1998

market society, denouncing the new government's protectionist economic policies and accused them of carrying out a conspiracy to destroy him. Meanwhile, Soros' Human Rights and Open Society organizations played their part in labeling Mahathir as the "last of the old-line Asian authoritarians" and showed Anwar as the "reformer" trying to free the people of Malaysia. The Western media, including the *Wall Street Journal*, continued to fuel the turmoil in Malaysia, saying: "The sacking Wednesday night of Malaysian Deputy Prime Minister Anwar Ibrahim signaled the end of a battle for the soul of an important nation. . . . At home and abroad, Mr. Anwar had come to symbolize the democratic aspirations and open-mindedness of a new generation, more at ease in the world and less burdened with the pain of old slights and frustrations than the man he was expected to succeed."⁴

Even Soros buddy Al Gore threw his weight behind the speculators.⁵ On November 13, 1998, President Clinton had been invited to speak at the Asia Pacific Economic Cooperation Forum, hosted by Malaysia. Due to the severity of the Iraq crisis, Clinton was forced to stay back and dispatched Al Gore in his place. The resulting catastrophe occurred on November 16 when Gore delivered a speech to the APEC business advisory council where he called for a "short term" recovery by allowing "free markets to work their magic," and, though not naming him, endorsed Anwar Ibrahim over Mahathir to lead the nation.⁶ Sprinkling salt in the wound, Gore echoed Anwar's cries for a new government: "People will accept sacrifice in a democracy, not only because they have had a role in choosing it, but because they rightly believe they are likely to benefit from it. . . . The message this year from Indonesia is unmistakable: People are willing to take responsibility for their future—if they have the power to determine that future. . . . Democracy confers a stamp of legitimacy that reforms must have in order to be effective. And so, among nations suffering economic crises, we continue to hear calls for democracy and reform in many languages—'people's power,' 'doi moi,' 'reformasi.' We hear them today—right here, right now—among the brave people of Malaysia." With the Malaysian government incensed and the Malaysian people riled up, Gore promptly left the venue. A few days later, then Foreign Minister Abdullah Badawi, sent the U.S. a heated letter of protest,

4. *The Wall Street Journal*, Sept. 3, 1998.

5. In the intervening decade, with weight to spare, Al Gore threw it behind his own speculative venture in the cap-and-trade carbon market.

6. At that time, Anwar had been under arrest and on trial for charges of corruption and sodomy.



World Economic Forum/swiss-image.ch

Al Gore at the Davos meeting in January 2008.

warning that the United States would be held accountable for inciting instability.

Malaysia Today

The escapades of Soros, Gore, and other London cronies in Malaysia can only be seen in one light—the British Empire's continued aims at destabilization in Southeast Asia. Today, Abdullah Badawi has taken over the post of prime minister and Anwar, with one hand permanently glued to Soros' gluttonous money bags, is still running operations aimed at destabilizing the government, including his intended buy-off of parliamentarians in the opposition party, the United Malays Political Organization. The fate of Malaysia remains to be seen. However, in the context of the current global financial collapse, its future lies in the implementation of Lyndon LaRouche's four powers agreement⁷ and in the destruction of the British Empire and its crony, George Soros.

7. See Lyndon H. LaRouche's, "Three Steps to Survival," *EIR*, March 28, 2008.