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# George Soros: The Forced-Open Society

by Leandra Bernstein

As the world financial system hobbles on its last legs, the City of London has once again unleashed George Soros to open the gates of Hell at the present strategic turning-point in world history. Soros has long been a front man chosen to subjugate nations by funneling offshore money into corruption conduits coyly masked as “philanthropic” and “human rights” organizations. His purpose is to eliminate the U.S. system of national sovereignty, as he states himself, “Democracy and open society cannot be imposed from the outside because the principle of sovereignty stands in the way of outside interference. . . Admittedly it is difficult to interfere with the internal affairs of sovereign countries, but it is important to face up to the problem.”

## Not Philanthropy; Misanthropy

During his first criminal investigation for stock manipulation in 1979, George Soros started The Open Society Fund. The Fund was supposed to create “open societies” through philanthropic organizations; today it operates in 29 countries. The term “open society,” Soros took from his mentor, British Aristotelian Society figure Karl Popper. Following Popper, with an admixture of Friedrich von Hayek’s economics, Soros raised the banners of “open society” and “people’s right to choose” in order to promote his own notions of personal financial aggrandizement through speculation, and to campaign against the modern nation-state.

Asserting that “states have interests but no principles,” Soros explains that the ideal open society would suppress particular national interests, while an international political

and financial structure takes responsibility for the so-called common good.<sup>1</sup> Accordingly, Soros arms his philanthropic organizations with cash, buying up key sectors within the population who are then let loose to overthrow a government that tries to maintain a “closed society.”<sup>2</sup> If a nation wishes to control its own natural resources, it’s a closed society. If a nation wants to develop its economy and power of labor through tariffs and regulations, it’s a closed society. Any nation that rejects globalization (i.e., British imperialism), is a closed society and subject to attacks from Soros and his shadow government of national agents.

The Open Society Institute (OSI), Human Rights Watch, the Soros Foundation, the Extractive Industries Transparency Institute, are all British-style intelligence outfits under the supervision of Soros. In 2002, Soros admitted to personally spending over \$2.1 billion in five years on his philanthropic ventures. Of his organizations, he writes, “They work with the government when they can and independently of the government when they cannot; sometimes they are in outright opposition. When foundations can cooperate with the government, they can be more effective; when they cannot, their work is more needed and more appreciated because they offer an al-

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1. In this respect, Soros’s admiration for the UN, WTO, World Bank, and IFTI (International Financial and Trade Institutions) is notable, as well as his past and present collaboration with these institutions and their ranking members.

2. To better understand this process, see Euripides’ Greek tragedy, *The Bacchae*, on the cult of Dionysus.

ternative source of funding for civil society. As a general rule, the worse the government, the better the foundation because it enjoys the commitment and support of civil society.”

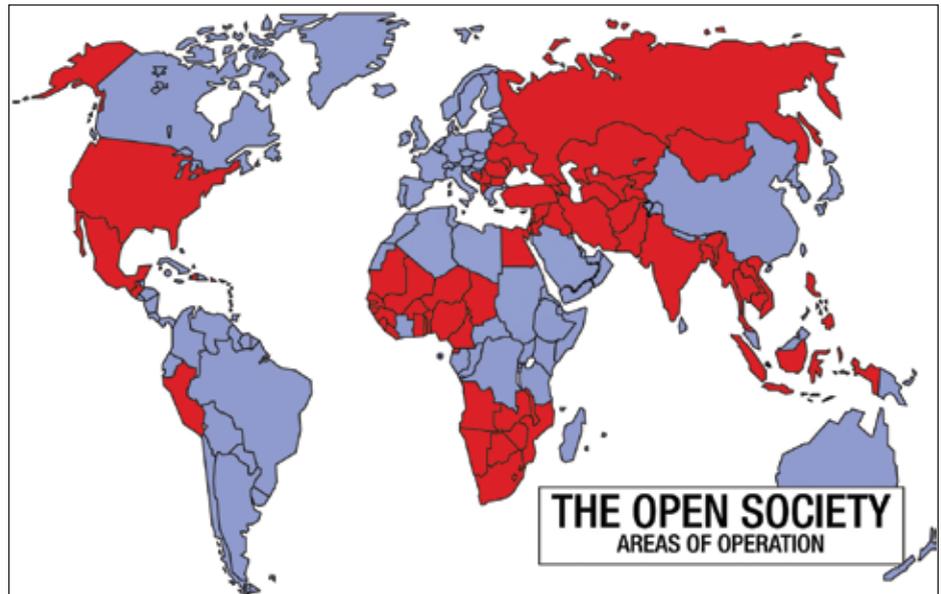
That same year, George Soros and Liberal Imperialist (limp) Tony Blair collaborated on an explicit assault on national sovereignty, they launched the Extractive Industries Transparency Initiative (EITI), to create an international standard by which nations rich in oil, natural gas, and strategic metals would report all revenues and payments related to these resources. The international organization (EITI) lobbies the governments to adopt a standard for revenue reporting which allows them to peer into government-company revenues in strategic industries. Whatever they view as “closed society” behavior is brought before the tribunal of the paid-for demos; or, if the behavior seriously threatens imperial interests, the UN, World Bank, IMF, WTO, etc., can be mobilized to implement sanctions. This process of subjecting a sovereign nation to a fixed international standard of behavior is called, “transparency.” The fixed relationship among those subject nations is called Empire.

Blair explicitly stated his vision for such international institutions in a speech before the UN World Summit in September 2005: “For the first time at this Summit we agreed that states do not have the right to do what they will within their own borders, but that we, in the name of humanity, have a common duty to protect people where their own governments will not.”<sup>3</sup> Already the EITI has 23 countries lined up to be swallowed into the Commonwealth and looted. These nations are primarily in the Horn of Africa, but include crucial states bordering Russia and China.

Yet, many well-meaning people inside the U.S. and elsewhere have thrown their support behind Soros for his “human rights advocacy,” rallying to the call of ending “authoritarian regimes,” and increasing “transparency.”

### The Fight for Eurasia

In his historic 1983 economic forecast, Lyndon LaRouche warned that if the Soviet Union were to reject his Strategic



*The areas in red show nations in which the Open Society is active, as of 2008.*

LPAC/Chris Jadatz

Defense Initiative, adopted by President Reagan and offered to Moscow as an area of cooperation, then “the strains on the Comecon economy would lead to a collapse of that economic system in about five years.” At his October 1988 address at the Kempinski Hotel in Berlin, LaRouche repeated that warning: “All of us who are members of that stratum called world-class politicians, know that the world has now entered what most agree is the end of the postwar era. . . . What governments do during the coming two years will decide the fate of all humanity for a century or more to come. . . . The time has come for a bold decision on U.S. policy toward Central Europe.” One year later, the Berlin Wall came down, and the LaRouche Movement grabbed the attention of influential circles throughout Eurasia around the prospect of building the Productive Triangle and later the Eurasian Land-Bridge to transform the continent into a prosperous community of nation-states.

LaRouche was the first to identify and act on the coming turning point in world history. But, within the British establishment, a small handful of strategic planners were also thinking in terms of long historical waves, and preparing for possible regime change in the U.S.S.R. and the Comecon. They saw the crisis in East Germany, Eastern Europe at large, and the Soviet Union as an opening for a drastic turn toward their system.

Soros was their point-man. His interventions throughout the contested East European area, but especially in Russia and the Balkans, were decisive in turning a moment of great happiness and hope—the 1989-1991 end of the Cold War division of Europe—into a tragedy for the region’s nations and its people. Everywhere, Soros’ campaign for an “open society” said that a central test of “openness” was radical financial and economic deregulation.

3. Earlier, in 1999, Blair demanded the NATO bombing of Serbia/Yugoslavia, under the humanitarian guise of protecting Kosovo and Albania against the Serbs. Blair’s rejection of the principles of the 1648 Treaty of Westphalia have pioneered the modern era of pre-emptive war, and much of the mess of our war-torn planet today.

Soros deployed into Eastern Europe to build his foundations, well before the Berlin Wall came down in 1989. The Stefan Batory Foundation in Poland, registered in May 1988, was ground zero for the European test-run of Jeffrey Sachs' "shock therapy" model, later used throughout the region to implement free-market looting, and monetary austerity. Soros wrote of the Polish implementation, "The IMF approved and the program went into effect on Jan. 1, 1990. It was very tough on the population, but people were willing to take a lot of pain in order to see real change. ... Inflation has been reduced, but the outcome still hangs in the balance because structural adjustment is slow in coming. Production has fallen 30%, but employment has fallen by 3%. This means the entrenched management of state enterprises is using the respite it gained from wage claims to improve its profit margins and keep the workers employed. There is an unholy alliance between management and labor that will be hard to break."

In other words, Shachtian monetary austerity, slave labor, and wrecking guarantees to state workers. The existing, military-oriented industry of the Soviet bloc was not to be retooled for Eurasian development, it was to be trashed. The skilled industrial workforce of Eastern Europe was to become a cheap labor pool.

This was the same model used to cripple Russia. Here, too, Soros was in the midst of cultivating a new leadership to implement the Hayekian-Friedmanite model, even before the Soviet Union cracked. In 1990, he financed foreign jurists and economists to prepare documentation in support of the Shatalin Plan, also known as the "500 Days" plan for shifting the U.S.S.R. to free market economics, shutting down the Soviet military-industrial economy, and imposing "budgetary discipline." Academician Leonid Abalkin and the late Valentin Pavlov, then the Soviet finance minister, acted to block full adoption of the Shatalin Plan in 1990. But the next year, some of the young economists whom Soros had sponsored, on trips to meet International Monetary Fund officials and other free-market gurus in the West, took power in the first post-Soviet Russian government under Boris Yeltsin. They implemented the disaster of a program which Soros had sought: shock price liberalization, privatization of state industry, rotten deals to sell off strategic metals stockpiles, and an open field for criminal trafficking in raw materials, weapons, and drugs. In only five years, the labor force had largely shifted from production to criminal activity, the living standard plunged, and the former Soviet region saw the fastest expansion of drug trade and drug use in the world.<sup>4</sup>

In the years following the Soviet break-up, Soros set up foundations in 23 countries. After the launching of the 1991 Balkans War, Soros dumped millions into the region, ear-

marking \$15 million for political subversion in Croatia alone. In December 1996, Croatian President Franjo Tudjman launched a useful attack, saying, "With the help of Soros, [the organizations] have entirely infiltrated society. ... They have involved in their project 290 different institutions, as well as hundreds of people. ... [T]hrough financial support, they roped in members of all ages and classes, from high school students to journalists, university professors, and academicians, from all circles of culture, economy, science, health, law, and literature. ... They openly say: Their duty is to change the property and government structures through donations. ... To create favorable circumstances for the subversion of the present authority and situation in Croatia, to gain control over all spheres of life, they intend to focus their energies and influence on the media and the world of culture."

At the same time, Soros set up the International Science Foundation (ISF), offering sizable grants to Russian scientists. People were poor and looking for a living; Soros stepped in with projects and money. Many confided that they knew it was wrong, but they needed the money to survive. Though he was able to pay the scientists, Soros' R&D investments were not nearly enough to accomplish breakthrough work. U.S. intelligence sources were convinced that Soros was just picking their brains. The ISF initially offered large grants, but as Soros steadily withdrew funds, he drew young scientists out of the country, taking from Russia its most vital natural resource.

In 1997, Soros pledged a \$300-500 million infusion of funds into Russia over the following three years, through the Soros Foundation and the Open Society Institute. The seven-part package aimed to make Soros indispensable in areas where Russia was hurting the most: health care, education, culture, books (through a textbook donation program, the OSI seized the high ground in Russian schools), Internet access, law and local government, and retraining of military personnel.

During the height of the Open Society Institute's expansion in Eurasia, Soros continued to play the market there, as well. He snapped up a 25% interest in Russia's national telecommunications company for \$1 billion, and later sold it. In the Russian bond collapse of August 1998, which was precipitated by a wave of speculative money fleeing the chaos touched off by Soros's and related hedge fund currency operations in Southeast Asia, the Quantum Fund and other of his funds lost \$2 billion.

In June 2003, Soros announced that he was scaling back his funding of operations in Russia in order to focus more on the United States, after becoming "preoccupied with problems of globalization" and, since Sept. 11, "with the role that the United States plays in the world."

On June 12 of this year, the OSI announced an initiative to spend \$800 million over the next 10 years "to advance democracy and progressive reform in the United States." Grantees will be funded to study how institutions like the EU and the UN can be used to "influence or constrain illiberal behav-

4. The spread of drug use coincided with an epidemic of HIV/AIDS largely along the drug trade route into Afghanistan. Today, the Soros Foundation prides itself in "treatment, advocacy, and harm reduction services" to deal with HIV/AIDS and TB, the results of Soros' free-market reforms.

ior,” and how stability and order can be maintained after an “authoritarian regime” has been collapsed. The shock troop attacks Soros’ hordes carried out in the East should be fair warning to those in the U.S. who continue to be soft on Soros’ “democratic reforms” and “open society” projects.

### There Is No Transparency Off-Shore

Contrary to the romantic view of super-financier, George Soros, he has never acted alone in any of his operations, and his primary self-interest has been saving his sorry neck from his sponsors.

A decade before launching The Open Society Fund, Soros left his post at Arnhold and S. Bleichroeder Inc.<sup>5</sup> with sponsorship to launch the off-shore Quantum Fund N.V., which was reportedly managing \$11-14 billion in 2001. Both the Quantum Fund and Soros Fund Management, operate as crucial sources for the money going to the international projects cited above. By setting up in the Netherlands Antilles, a British Protectorate, and excluding American citizens from investing in the fund or sitting on the board of directors, Soros eludes U.S. law enforcement scrutiny, U.S. taxes, and other regulations, while demanding transparency from everyone else.

Soros has gone so far out of his way to avoid U.S. laws that he is not even on the board of his own fund, but serves as official “Investment Advisor” through the New York based Soros Fund Management. Instead, the list of investors and the board of the Quantum Fund is stacked with British, Italian, and Swiss financiers, with Queen Elizabeth II holding a special position on the list of exclusive clients. Quantum board member Richard Katz is also on the board of the London N.M. Rothschild & Sons merchant bank, and is the head of Rothschild Italia S.p.A.; Nils O. Taube, is the head of the London investment group, St. James Palace, a major partner with Lord Rothschild; and George Karlweiss, of Edmond de Rothschild’s Swiss Banca Privata. According to interviews and published sources, Karlweiss played a key role in giving Soros the initial start-up capital for Quantum. The Rothschilds’ banking apparatus, with its international branches, has been, and remains at the center of British sponsored dirty money and financial warfare operations, from money laundering, to raw materials grabs, drugs-for-weapons deals, sponsorship of international crime networks, and significant control over the gold trade—which is essential for the global drug trade.

Quantum board member and top Swiss financier, Edgar de Picciotto, was involved in launching attacks against LaRouche’s European organization through the mid-late 1980’s



*Russian peasants.*

*Ogonyok, February 1989*



*Soviet women show ration cards to buy food.*

*Ogonyok, March 1991*

when he pushed money through the Swiss think-tank, GeoPol, to fund the corrupt Laurent Murawiec, presently residing at the neo-con Hudson Institute.<sup>6</sup> De Picciotto is presently the chair of the Union Bancaire Privee, the offspring of a shady merger with Edmund Safra’s Trade Development Bank, notably involved in the Iran-Contra affair. Safra, who became too dirty for even the British to use, was famously murdered in 1999 when under investigation by Swiss and U.S. authorities for using his Republic Bank of New York to transfer billions of

5. Arnhold and S. Bleichroeder Inc. represented Rothschild banking interests in Germany during the period of Chancellor Bismarck. As of 1993, it was the principal custodian of the Quantum Fund, along with Citibank.

6. In his 2001 *Strategic Memorandum: Look What Happened in Brazil*, Lyndon LaRouche describes Laurent Murawiec as “a real-life ‘Beetlebaum’ of the legendary mythical horse-race, and a hand-me-down political carcass, currently in the possession of institutions of a peculiar odor.”

Federal Reserve notes to Mafia-controlled banks in Moscow in the early 1990's. He was also under investigation for laundering money through the Turkish and Colombian drug trade.

According to former U.S. State Department intelligence officers, familiar with the Soros case, Soros' Quantum Fund amassed its billions from "silent investors," like Marc Rich—as well as Mossad agents Shaul Eisenberg and Rafi Eytan. During the Soviet break-up, Quantum Fund investor, Marc Rich,<sup>7</sup> was crucial in the raw materials smuggling. He did the groundwork of coercing desperate and corrupt Russian and Soviet leaders to sell the nation's raw material wealth to the global markets. That money was then taken out of the country and invested in offshore accounts. Rich, a U.S. fugitive since 1984, organized the looting from his office in London, where he helped his Russian contacts sell those materials normally used for domestic consumption.

For 17 years, Rich was a fugitive in London from charges of tax evasion, fraud, and trading with the enemy (Iran). Rich hired Lewis Libby as his personal attorney. In 2001, Al "stinking possum" Gore helped get a Presidential pardon for Rich in the final hours of Bill Clinton's term. Later, in testimony before Congress, Libby admitted that he secured the pardon for Rich by working through Gore's former chief of staff, Jack Quinn (as well as two former Mossad agents employed by Rich).

## **A Piece of Advice**

The global economy is presently undergoing a hyperinflationary blow-out. The international institutions and financier networks outlined above, whose activities are illegal under the United States Federal Constitution, have been positioning themselves for decades to seize control now. It is now possible for the government of the United States to immediately shut down Soros' filthy operations and launch the recovery prescribed in LaRouche's "Three Steps to Survival."

It were wise for all those who are presently defending George Soros by accepting his money to take pause: Whatever happens otherwise, if the United Kingdom continues its present course, Britain's imperial design (1763-2008) is now doomed to a very early and ugly end. All that remains in doubt on this account, is, whether or not the disintegration of the British empire will carry the rest of European civilization down with it, down into a prolonged, planetary-wide dark age, down forever from the Britain of Lord Shelburne which aspired to become a permanent successor to the failed Roman Empire. Is the money really worth it?<sup>8</sup>

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7. Before running \$2.5 billion in "natural resources" trade with Russia, Marc Rich got his start in the triangular trade of weapons, oil, and drugs, around the Afghan and Iran-Iraq wars. See EIR Special Reports, *To Stop Terrorism—Shut Down Dope Inc.* (2001), and *The True Story of Soros the Golem* (1997).

8. Lyndon H. LaRouche Jr., "That Doomed & Brutish Empire," *EIR* Vol. 35, No. 11, March 14, 2008.