

III. Interview

Former Malaysian Prime Minister Mahathir

A Non-Aligned Policy Must Replace East vs. West

Tun Dato Seri Doctor Mahathir bin Mohamad was the Prime Minister of Malaysia for 22 years, from 1981 to 2003, and then again from 2018 to 2020. He also served as the Secretary General of the Non-Aligned Movement internationally in 2003, and held many positions in government and in the public sphere in his long career in Malaysia. The following is an edited transcript, and the video of the interview is available [here](#).



Mahathir bin Mohamad

Former Malaysian Prime Minister Mahathir bin Mohamad.

would respond appropriately. You, like *EIR*, have warned that the world was heading to such a cataclysmic crisis, and we are now there. You told Nikkei, the Japanese news service, in June: “We may be going towards a third world war, because if you press Russia too much, and you appear to be wanting to conquer Russia, they may want to use nuclear weapons. That is going to damage the whole world.” What is your view on this now and what must be done?

Michael Billington: I’m an editor of *Executive Intelligence Review* and a member of the Schiller Institute and the LaRouche Organization. I’m delighted to have the opportunity to speak with you again.

This is not your first interview with *EIR*. In 1999, Gail Billington, my late wife, visited you in Kuala Lumpur, conducting a long [interview](#). And in 2014, I had the opportunity to meet you and conduct an [interview](#) with you in Putrajaya at your foundation. Both interviews were published in the *EIR*. But this interview comes at a moment of perhaps the greatest danger in recent history, perhaps even in all of human history, as we are moving rapidly towards war between nuclear-armed powers which could destroy life on Earth. The United States has openly declared that it wishes to “weaken,” or even “destroy,” Russia, while President Putin has responded to the U.S. and NATO threat to allow Ukraine to use NATO long-range missiles [to strike] deep into Russian territory, by warning that this would be seen by Russia as an attack by NATO, and that Russia

Dr. Mahathir bin Mohamad: Well, the strange thing is that the Western Alliance and Russia were partners in the war against Nazi Germany. But the moment Germany was defeated, immediately the Western alliance formed NATO as a military alliance directed against their former partner, Russia. And so, the tension grew. It would seem that the Western alliance needs an enemy all the time. So, it has gone on through the Cold War. And now they still want the former Warsaw Pact countries to join NATO. This is a threat against Russia and, of course, Ukraine has a very long border with Russia. Russia objected to Ukraine joining NATO. I don’t see why Ukraine should join NATO; the relationship with Russia was all right and the relationship with the West was also alright, so there is no need to join NATO. But they insisted that Ukraine should join NATO. This was preempted by Russia, and now there is a war between Russia and Ukraine. That war cannot be won by Ukraine because Russia would not allow itself to be defeated. So, we may reach a situation where

somebody has to give in or else the war will escalate, will involve the Western alliance against Russia. The attitude is that the war would solve this problem, but war will not solve the problem. They are going to lead to bigger wars, to a third world war. That is what I fear.

Billington: Indeed. At the same time, Israel has proven itself to be out of any control by international law, committing genocide against the Palestinians and now trying to draw Iran into a wider war, probably expecting the U.S. to join in. Malaysia, the current government in Malaysia, has spoken out strongly against the Israeli crimes, as you have also. This, too, could explode into nuclear war. How do you propose we deal with the whole Middle Eastern crisis?

Dr. Mahathir: Israel is behaving in this way simply because it is assured of backing by the U.S. Anybody who goes against Israel may have to face the U.S., and the U.S. apparently supported Israeli genocide in Gaza. This is very strange, because normally the U.S. would talk about human rights and the like. But with regard to Israel, the genocide carried out by Israel in Gaza is possible only because the U.S. used the veto to prevent any action being taken against Israel. So, we are going to see Israel behaving as if they are a great power and breaking all the international laws, because behind them is the U.S. It is the U.S. which actually is behind the genocide taking place in Gaza.

Billington: There is the third site of possible war between nuclear powers, namely Asia, as the U.S. insists on provoking a conflict with China and demanding that ASEAN (the Association of Southeast Asian Countries) and other Asian countries join them. Japan and Korea have already formed a military link with the United States, and ASEAN member, the Philippines, has allowed the U.S. to set up bases there, while Washington has even proposed joint naval patrols in the South China Sea, which would quickly lead to an open military clash between the U.S. and China directly. What is your view of this in your backyard?

Dr. Mahathir: The relationship between China and Taiwan is a little bit strange, because China could actually conquer Taiwan if they want to. But they find Taiwan is useful to China because Taiwan invests a lot in China. And Chinese tourists go to Taiwan. Also, Taiwan has access to technologies which China is interested in. So, China retains the claim that Taiwan is a part of

China, but has done nothing to show that it will take over Taiwan by conquest. So, the situation should be left at that. But unfortunately, the Speaker of the U.S. Congress [Nancy Pelosi] visited Taiwan, and she knows very well that that is going to provoke China. And indeed, this is what happened. China wanted to show its military capabilities, and Taiwan is told [by the U.S.] that they should upgrade their military capability by procuring more weapons from the U.S. So, suddenly the tension has grown, and now we are faced with the possibility of a confrontation and violence between Taiwan and China in the first place, and this also may involve the United States. But of course, China sometimes behaves strangely, like claiming the entire South China Sea as being a part of China; but that cannot be settled through war. It can only be settled through negotiation, because if there is a war, the damage to all the ASEAN countries and to China would be terrible. So, I think the U.S. is trying to get the ASEAN countries to confront China. But ASEAN countries are very weak, and they are not capable of fighting against China. Malaysia, for example, wants to make the Chinese market available to it, and so do the other ASEAN countries. So why should we confront China? Yes, China has a claim against Taiwan, but they have not invaded Taiwan.

Billington: What do you think about the situation with the Philippines, and how is that affecting the rest of ASEAN, their becoming engaged in this way with the U.S. against China?

Dr. Mahathir: When China was a third world country, very weak, Malaysia claimed an atoll in the South China Sea and built facilities there. The Philippines did the same for Commodore Reef, but they withdrew. And when they withdrew, the Commodore Reef was unoccupied, and the Chinese moved in after claiming that the South China Sea belongs to them. But even such a move by China cannot be settled through a war against China. Philippines is not capable of fighting against China. And if the U.S. gets involved, it will become another world war. So, it is better if China and the Philippines negotiate a settlement between themselves without involving the United States.

Defeating the New Imperialism

Billington: Underlying this moment of great danger is the increasing disintegration of the Western financial system. The physical economies of the U.S. and the European countries, especially Germany,

are collapsing. Germany was once the industrial powerhouse of Europe and now is in a state of deindustrialization. You've been at the center of a fight against the domination of speculation and against speculators for much of your life. You told Gail in the 1999 interview, "When, for the first time, countries decided to float their currencies and allow the market to determine the exchange rates—that was way back in the 1970s—I felt even at that time that the sovereignty of countries had been lost." Lyndon LaRouche, at that time— You probably know, that when U.S. President Richard Nixon took the dollar off of gold and launched the floating exchange rates in 1971, destroying the Bretton Woods system, LaRouche said that this would eventually lead to a depression, to an economic collapse and even to war, perhaps even global nuclear war. He proposed at that time a return to the Bretton Woods system. But instead, the deregulation of the world financial system continued. Is it too late now to return to the Bretton Woods?

Dr. Mahathir: Well, one would note that at Bretton Woods, the U.S. dollar was valued at 35 U.S. dollars per ounce of gold. Today, it is 2,600 U.S. dollars per ounce of gold, which means that the U.S. dollar has depreciated through the market. So, it is not really a good standard. We should use gold as a standard and not the U.S. dollar. But as you know, the U.S. benefits from the use of dollars for settlement of trade, of trading between nations. Especially with oil, you have to settle in U.S. dollars, which creates a demand for U.S. dollars and therefore sustains its value. But actually the U.S. dollar has no real value. It has depreciated very much. So, we need an international currency based on gold for a standard. I think that would help stabilize the exchange and trade between nations. But of course, trade between nations can only be sustained if the world is at peace and there is stability in the relations between countries. So, what is happening now is that the U.S. has provoked Russia, and there is a war between Russia and Ukraine. It's also trying to provoke a war between Taiwan and China. And all these activities are not helping to stabilize the world.

Billington: I'm sure you have followed closely the BRICS nations, which are going to be holding their meeting in Kazan, Russia, on the 22nd through 24th of this month, just a few weeks from now—a few days from now, actually—and one of the major issues to be discussed there is the possibility of establishing a new

trade relationship. Not a new currency for nations, but a new currency to be used for trade. Do you think that will answer the question you've just raised?

Dr. Mahathir: Whatever it is, it must be a currency that is stable. Stability, I think, is provided by valuing it against gold. If you have just an agreement to use another new currency, there will be no stability, because against the gold it will depreciate. So, we need a currency that is based on gold.

Billington: You also told Gail in that 1999 interview that the increasing domination of speculation, dominating the markets, you said "will surely result in a new imperialism, more noxious and debilitating than the old." And you added that we were "seeing a new kind of imperialism, where the weapon used is really capital, capital that can be used to impoverish countries to the point where they have to beg for help. And when they beg, then you can impose conditions on them." This appears to have gotten even worse since your comment in 1999. Your thoughts?

Dr. Mahathir: As you know, this idea about a new imperialism came from Sukarno [President Sukarno, President of Indonesia from 1950-1967]. He was the first person to coin the word "neocolonialism." This is based on the management of trade, the trade between countries. For example, Malaysia produces rubber, but the market is in London, and Malaysia does not get the full benefit of producing rubber, because all the trading is done in London. So, there they can actually increase the value or decrease the value of the rubber. And when they do that, it affects Malaysia. It's the same with the currency. As you know, a currency is supposed to fluctuate because of the market. But it is not really the market. It is the currency traders. It pays for them to make money through short selling. They create money which they don't have, and they sell the currency in the market, and the value of the currency depreciates. And then, of course, they buy the devalued money to deliver to the first customer they had who had bought at a higher price. This was what happened during the currency crisis. That is why we decided that they should not deal with our currency. *We should fix our value, not the currency traders.* It's not the market. Because of the currency traders.

Billington: Right. In fact, in that regard, you engaged in a very famous conflict with the IMF and with

the hedge funds and the currency traders who were waging financial warfare on Malaysia and other countries, other developing countries, in the 1990s. Can you describe what you did and the results of that?

Dr. Mahathir: As you know, in 1997, 1998, the currency traders devalued the Malaysian currency. We were puzzled by the behavior of the Malaysian currency, especially the depreciation, until we found out that it was the currency traders. So, if it is the currency traders, we need not adhere to international practice. We felt that we should stop currency trading. And that was what we did. And indeed, when we fixed the exchange rate, the currency trading ceased; stopped completely. But to do that, you need to have financial strength. Malaysia had huge savings. So, when we did that, we couldn't get access to the American dollar at the price we fixed the exchange rate. But we had enough dollars in our savings to meet the demands of trade.

Billington: As part of that conflict, you gave a speech at an IMF conference in Hong Kong in which you discussed what you just described here. You described the currency speculation, what it was doing to the Malaysian ringgit, and explained your imposition of currency controls. The *Asian Wall Street Journal* (which is no longer published, but it was published as an Asian edition at that time), the front page of the *Asian Wall Street Journal*, on the same day as that famous speech in Hong Kong, published an article which was called "LaRouche Report Helps Feed Malaysian Attacks on Soros." The article claimed that your attack on Soros "came from an unusual source of publications run by Lyndon LaRouche, Jr." whom they described as an "eccentric" and a "conspiracy theorist." They don't mention the things that Soros said about you—when he had called you "a menace to his own country," and predicted that your policies would bring ruin to Malaysia. Did that happen? And how do you see that process from the current perspective?

Dr. Mahathir: Well, we were trying to find out who was responsible, and we found that Soros had attacked Italy, the Italian lira, for example. He was actually made *persona non grata* in Italy. He also attacked the British pound. So, it was Soros who was responsible for changing the values of currencies, and it must be him who was responsible for the devaluation of the Malaysian currency, too. At that meeting I did mention his name, but he denied it. Whether it is true or not, I don't know.

But anyway, we concluded that it was the currency traders who were responsible for devaluating our currency, and action had to be taken to stop them from dealing in Malaysian currency.

Billington: And it worked.

Dr. Mahathir: Yes, we did. Later on, even the IMF agreed that what Malaysia did was right.

Solving the Common Problems of Mankind

Billington: Helga Zepp-LaRouche, the wife of the late Lyndon LaRouche, who now leads the Schiller Institute and the international LaRouche movement, insisted that nothing less than what she calls "a new security and development architecture for all nations" can reverse this decline into war and economic destitution. She compares this to the 1648 Peace of Westphalia, which ended the religious wars of Europe by establishing the notion of sovereign nation states, within which each nation's interests have to include the interests of the others. What are your thoughts on that?

Dr. Mahathir: I did not study her writings deeply, but I think there is some substance in what she says. I think that nowadays we are more connected than ever before. So, whatever happens in one country affects all the other countries of the world. On the one hand, the world has become a big market, and you can make tons of money from trading with the world. But on the other hand, of course, what happens in one country can affect the other countries of the world. And when the U.S. makes a decision, it affects us. So, we have to be constantly aware of what other countries are doing, because whatever they do will affect us in one way or another. For example, when they apply sanctions to a country, it's not only that country that suffers. Other countries trading with that country also suffer. And Malaysia, as a trading nation, suffers a lot whenever sanctions are applied to any country, even to Russia or Iran. We suffer even though it was not the intention to punish us for anything. We have done nothing wrong. But the fact is that when sanctions are applied, other countries have to pay the price.

Billington: Helga has also proposed something she calls the "Ten Principles of a New International Security and Development Architecture." She argues that the populations of the Western world have been so indoctrinated with banality, especially since the onset of the

rock-drug-sex counterculture in the 1960s, that we must introduce reason and Classical culture to get through this crisis. So, she addresses the need for development of all countries, the need for education for all people, for health care for all people, and so forth. But it also includes as the 10th principle: “The basic assumption for the new paradigm is that man is fundamentally good and capable of infinitely perfecting the creativity of his mind and the beauty of his soul. And being the most advanced geological force in the universe, which proves that the lawfulness of the mind and that of the physical universe are in correspondence and cohesion, and that all evil is the result of a lack of development and therefore can be overcome.” She stated that this idea is fundamental to all the great religions of the world, but that it has been lost in the hedonistic ideologies dominating the West today. What are your thoughts on that, sir?

Dr. Mahathir: If you look at the world today, the world has shrunk. We have become very small. We are all neighbors of each other, and we need the United Nations more than ever to solve our problem. Unfortunately, the United Nations was designed in order to sustain the big powers who won the war 70-80 years ago. I think the world should not be held down by what happened 70-80 years ago. We should have no veto power for anybody in any country. The vote is given to everyone equally, irrespective of whether they are rich or poor, whether they are workers or they are capitalists. Each one has got one vote. In the UN, we find that five countries are superior to the rest of the world. Any one of them can frustrate 190 other countries. This is totally undemocratic. So, if we want to have a world that is more stable and more peaceful, we need to get rid of these veto powers, and maybe amend some of the provisions of the United Nations, or even create a new organization where no one holds any veto power.

There is always talk about a kind of world government. Today, there are many common problems which affect all of us, all the countries. For example, climate change affects everybody, COVID-19 affects everybody. We are feeling the effects of very common diseases. A currency crisis and all that. So, whereas each country can deal with the simple crimes that occur in their country, but in terms of international common problems for the world, we need to have a new authority with clout, which can deal with the problems. For example, it is unacceptable that Israel can commit genocide openly and the world can do nothing. This is something that shows that we do not understand that the

world has become small, and anything that is happening in any part of the world affects the rest of the world.

Billington: I’m sure you know that the UN General Assembly held a vote which overwhelmingly voted to demand that Israel stop the occupation, not just the current genocide, but obviously to stop the war, but also to stop the occupation, which has been illegal from its beginning. That vote took place in the General Assembly, but they don’t have any enforcement power. So unfortunately, most people are— As you’ve indicated, the major powers that are benefiting from this, and especially the U.S., just ignore such a thing, and therefore nothing has happened. Do you have any recommendations on that?

Dr. Mahathir: Well, in the case of other countries, in Bosnia, for example, and also in many African countries, the UN sends a peacekeeping force to separate the combatants. But in the case of Gaza: No peacekeeping force has been sent to Gaza, and the Israelis are left to themselves, to do what they like. In fact, when [U.S. President] Biden proposed a ceasefire, [Israeli Prime Minister] Netanyahu just ignored him and continued, even escalated, the killings. And now, it has spread to Lebanon. I can’t imagine a country as small as Israel can defy the feelings of the whole world, the opinion of the whole world. And this can only happen because behind Israel there is a great power which has a veto, which frustrates the whole United Nations.

Billington: You are currently engaged in a conflict with the Malaysian Prime Minister, Anwar Ibrahim. Actually, you’ve been engaged for many, many years in various kinds of conflicts with Anwar Ibrahim. As you probably know, I’ve written about this in the *EIR* a great deal. He has been accused by several of your own national newspapers of using the Malaysian Anti-Corruption Commission to open investigations into his adversaries and their families. And that includes you, and Daim Zainuddin, who was your finance minister at the time of your conflict with the IMF, and even two of your sons. You are reported by the press to have said: “This is an abuse of the rule of law”—at the same time that you rejected the demands of the IMF and the speculators. Anwar, who was at that time your Deputy Prime Minister, openly opposed you and argued that you should accept the demands of the IMF and George Soros and the speculators. And, if I understand it correctly, you fired him. Some say that Anwar is now out for revenge.

What is the status of this current investigation?

Dr. Mahathir: Well, I support any move to reduce corruption in this country. Corruption, of course, is a very bad practice that affects the development of this country. But what we have learned is that, on the one hand, the opposition is accused of corruption, but as for the people who support him, accusations against them are dropped. For example, the Deputy Prime Minister was facing 47 charges in the court of law. Suddenly they dropped the charges. At the same time, I was accused by him publicly of stealing government money, of abuse of power, which I did not. So, I told him, show proof that I have stolen money. He said that I have stolen billions. I said show proof. I don't know where the billions are, because I have never stolen billions of dollars. Can you show proof? So, I took him to court and asked him to show proof. He has not been able to show any proof for the past one whole year, but instead of that, he took action against my children. I mean, it's not fair. It's quite obvious that his anti-corruption thing is not sincere, in that he exempts his own supporters, but he took action against those who opposed him, even though they have no evidence that they were involved in corruption. I challenge him to show that I have money. I am prepared to give all the money that he says I have to charity, 100%. He said only half, but I am willing to give 100% if you can show that I have the money.

BRICS and the Non-Aligned Movement

Billington: Let me go back a bit. You mentioned Sukarno as bringing up the question of the New Imperialism or the new form of colonialism. As I'm sure you know, in 1955, he called the meeting which became known as the Bandung Conference, the Asia-Africa Conference, which was the first meeting of former colonies, now countries, without their colonial masters there. In that famous meeting, he made a call for what eventually turned into the so-called Non-Aligned Movement. That spirit has been revived recently by many, including Malaysia, which participated in an effort to revive the Non-Aligned Movement. It also is being revived in the form of the new BRICS association and the many, many Global South countries who aspire to join the BRICS. Their basic principles are very similar to the Five Principles of Peaceful Coexistence that were adopted by the countries at the Bandung Conference. This is something that Helga Zepp-LaRouche also points to often: that Sukarno's speech at that event was essentially a call for a new world order

based on that kind of principle, of honoring the rights of all countries. What's your own view of the history of the Non-Aligned Movement and the current form of that with the BRICS?

Dr. Mahathir: The world is still divided into two confronting blocs, the East and the West. And other countries feel that they are being pressured to join one or the other. But these countries do not want to be involved in the confrontation between the U.S. and China and Russia. That is why there is a need once again to think about non-alignment, which was what was proposed by Sukarno. Today, that is still relevant. We want to get away from this confrontation because it is not good for us. We want to see a stable world where we can grow through trade with the whole world. But dividing the world into two parts and then applying sanctions and even taking military action and all that, these are very, very negative. These are not the ways to solve the problems of the world. We need a stable world. We don't need any blocs, East or West, but we need a world where everybody is equal. And they should all solve their problems through the United Nations without the veto. That is what we need. But since we could not change the United Nations, they formed BRICS. And again, that is another way of having non-alignment.

Billington: Do you think Malaysia will join the BRICS at the meeting this month?

Dr. Mahathir: Yes, they have applied there. I don't know what are the criteria for joining, but certainly in spirit, Malaysia believes in non-alignment.

Billington: Very interesting. Do you have any other thoughts that you'd like to leave with our readers and our followers? I know you followed the *EIR* on and off much of your life. What are your thoughts now for our followers?

Dr. Mahathir: I think this confrontation between East and West should stop. We should not divide the world into two. And we should have a workable United Nations that has no veto power. And of course, when a country is considered to be a recalcitrant, like the Israelis, then the world must take action to put a stop to this killing. Already they have killed 42,000 Palestinians and now more Palestinians living in Lebanon have been targeted, and the world basically shows that it has no power to do anything. It's something not reasonable for

civilized people to accept this kind of killing and do nothing about it.

Billington: Yes. We are certainly committed to resolving those fundamental problems facing mankind. As I said at the beginning, this is perhaps the greatest moment of danger that the human race has ever faced, given that it's a nuclear age and the level of madness by some leaders who think that they can resolve problems through war, especially with nuclear weapons. This would mean the end of civilization. So, we certainly appreciate your continuing battle to make your voice heard. We're calling on citizens of the U.S. and of all the Western countries to recognize that their own fate rests in working with Russia and China, and not going to war with them, but actually having the kind of world cooperation that we need to have a peaceful world.

So, I thank you very much. We will get this interview out widely. Many, many people are looking forward to hearing your words. It's been a long time since we've had a chance to speak like this, but it's very much appreciated, I can assure you, by the growing movement that we represent. Helga Zepp-LaRouche has also initiated something called the International Peace Coalition, which has been meeting every week

for 70 weeks now, over a year. There have been between 1,000 and 2,000 people attending those meetings every Friday afternoon, from 40 to 50 countries, virtually every week. The idea there is that people who believe in peace may have different political ideas, but those political ideas aren't going to mean anything if we have a nuclear war. Nobody's going to be around to enjoy the victory if we have a nuclear war, and therefore we must get together and cooperate to bring about a peaceful resolution to these conflicts. That's what we're fighting to do. Your voice in that, in the International Peace Coalition, would be very valuable.

Dr. Mahathir: My concern now is that there are too many warheads with nuclear material. And once you activate nuclear material, you cannot reverse it. You cannot even get rid of it as waste. There are these problems now of nuclear waste, which we cannot do anything about, and which is still going to hurt people with this radiation and the like.

Billington: Thank you very much. Very good to see you again. And I hope I get a chance to come back to Malaysia sometime. And I'll come to Putrajaya again and pay my respects. Thank you.

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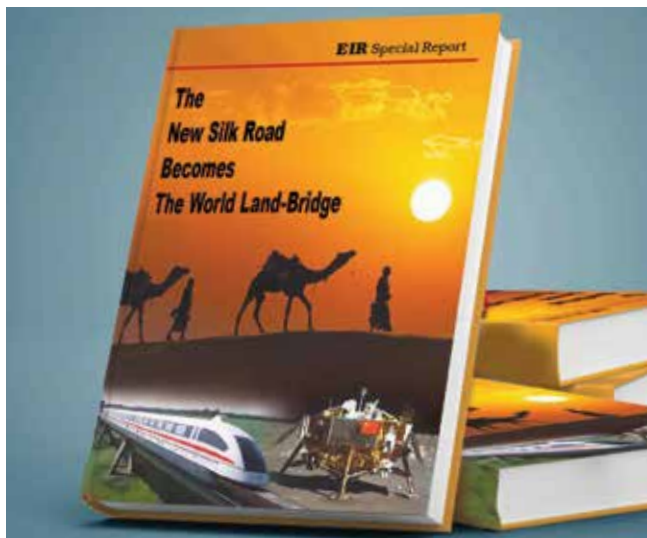
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