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Mahathir-Israel

MALAYSIA NEEDS TIME TO CONSIDER RECOGNITION OF ISRAEL, SAYS PM

KUALA LUMPUR, Sept. 13 (Bernama) -- Malaysia will need some time to study the possibility of recognising Israel even though Tel Aviv and the Palestine Liberation Organization (PLO) have reached a peace accord.

Prime Minister Datuk Seri Dr Mahathir Mohamad said Malaysia's stand with regard to Israel would be based on that country's attitude to the Arab states and the Muslims in Palestine.

"If Israel has changed its attitude, we need to review our stand, especially since the Palestinians themselves have recognised Israel," he told reporters after opening the 14th Commonwealth Forestry Conference at the Shangri-La here.

He said Malaysia needed time to review the matter as the country could not just suddenly reverse its long-standing policy of non-recognition of Israel.

Dr Mahathir hoped the agreement for limited Palestinian self-rule in the Gaza strip and West Bank town of Jericho would mark the first step towards further negotiations between Israel and the PLO. -- more

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"I hope they will resolve their problems through negotiations, not through confrontations," he said.

Commenting on a newspaper report that the ringgit was being "internationalised", getting demand from as far as Europe, Dr Mahathir said he hoped the situation would not affect the value of the Malaysian currency.

In its front-page report, the Business Times said one of the major reasons for the ringgit's demand overseas was that many investors believe it to be undervalued given the country's robust economic performance.

"I hope this kind of thinking doesn't result in the ringgit being devalued or revalued without any basis," he said.

He said the currency of a country must reflect its economic performance and the status of its development.

"Ours is still a developing country... we need to have low cost in order to be able to compete with others," he added. -- Bernama

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