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MAHATHIR-TRADE

MANY COUNTRIES KEEN TO TRADE WITH MALAYSIA IN GOLD DINAR

KUALA LUMPUR, July 1 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said apart from Iran, many countries, especially West Asian nations, are interested to conduct trade with Malaysia using the gold dinar.

"Arab countries, in particular, have expressed interest but decision-making and bureaucratic procedures take time," he told a press conference after opening the International Convention on Gold Dinar as an Alternative International Currency here today.

Dr Mahathir said efforts to use the gold dinar in Kuala Lumpur's bilateral trade with Teheran had just started and the process could take some time.

If successful, the same mechanism could be applied and expanded to Malaysia's other trading partners, he said.

"We are ready to use the gold dinar. But other countries either do not really understand (the concept) or find it difficult to make a decision," he said.

On when Malaysia is expected to trade in dinar, he said: "We hope very soon."

Asked whether this could be achieved this year, Dr Mahathir said: "Maybe, we'll see if we can do it with Iran."

He said Malaysia would continue to promote the gold dinar not only among Islamic countries, especially during the upcoming Organisation of Islamic Conference (OIC), but also among the non-Islamic countries.

The usage of the gold dinar as an alternative to settle trade transactions could be applied by any country as it was similar to that of Islamic banking, he said.

Asked if there was any objection in the usage of the gold dinar, Dr Mahathir said: "I don't see any objection because gold dinar is the same as gold standard used in the Bretton Woods Agreement."

The Bretton Woods Agreement is about fixing the exchange rate of major trading countries' currencies against gold. The value of the currencies were, however, fixed against the US dollar which in turn was fixed at 1/35 ounce of gold or US\$35 per ounce.

On whether the US had made known of its stance on the gold dinar, Dr Mahathir said he had not heard of any objection by Washington on the matter. -- BERNAMA

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