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OIC-Mahathir (Oil)

OIC TO CONSIDER USING OIL TO AVERT WAR

KUALA LUMPUR, Feb 26 (Bernama) -- The Organisation of the Islamic Conference (OIC) has decided to study the possibility of using oil as a weapon to deter the United States from attacking Iraq, Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

Consensus on this was reached at an informal meeting of 51 OIC members here today, called to discuss the situation in Palestine and the Iraq issue.

Dr Mahathir said the meeting had agreed to "think about the idea" of using one of the most valued commodities in the world to prevent the looming US-led war on Iraq.

"They agreed that it must be studied carefully because it might hurt us more than (it hurts) other parties," he told a media conference after chairing the informal consultation at the Putra World Trade Centre (PWTC) here.

Several major oil producers were represented at the meeting, which was attended by 49 members of the Non-Aligned Movement (NAM), which ended its 13th Summit here yesterday, and two non-NAM members.

He said oil was a double-edged weapon, and if the price of oil went up, many non-oil producing countries of the South were going to suffer the most.

"Of course if we don't know how to use this weapon, we simply mark up the price, we might cause a very bad reaction. That is why I recommended that we should think about it," he said.

Dr Mahathir said although the matter was not discussed in detail at the meeting, some members felt that such a "weapon might rebound" and the 57-member OIC might have to pay a very high price.

"There was no consensus about using oil as a weapon, but there was a consensus on thinking about the possibility of using oil as a weapon. On that we all agreed," he said.

"We agreed that we should look into it; we agreed that we should think about it, not just dismiss it," he said.

He said a US attack on Iraq or the use of oil as a weapon by OIC could cause oil prices to shoot up to record highs.

"One thing which can happen is that there will be an increase in oil prices. Some people say that it can go up to US\$50 per barrel," he said.

He said if that happened the world economy would be affected and poor countries which could not afford to pay for oil would be in deep trouble.

"Trade and economic growth will be reversed and it will affect the US itself. This will put a stop to the growth of the world economy," he said.

-- BERNAMA

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