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MAHATHIR-WTO

MAHATHIR WARNS AGAINST PITFALLS OF JOINING WTO IN HASTE

By: Shakir Husain

DUBAI, Jan 19 (Bernama) -- Former Prime Minister, Tun Dr Mahathir Mohamad has warned countries against the pitfalls of joining the World Trade Organisation (WTO) in haste.

The WTO is dominated by powerful countries and does not have the interests of developing countries at heart, Dr Mahathir told Saudi Arabia and other countries seeking to join the trade body.

Speaking at an economic conference in Jeddah on Sunday, he said, "Everybody should be very careful about joining the WTO, because it is not all positive, certain agendas are drawn up by developed countries and the WTO obviously concentrates on these agendas," Mahathir told the Jeddah Economic Forum, according to a report in the Saudi Gazette newspaper on Monday.

"Right now, poor countries do not have the clout to individually develop an agenda. But before joining the WTO, they should sit together and develop their own agenda and speak with one voice," Mahathir said.

On his proposal for a gold-backed Islamic dinar to become the Muslim world's trading currency, Mahathir said Muslims countries, especially those exporting oil, would benefit because it would insulate them from fluctuations in the value of the American dollar.

Oil exporters trading in the dollar are currently being "shortchanged" because the currency has lost 33 percent of its value against the euro.

If oil were sold in a gold-backed currency, the revenue would be virtually immune to the political and social factors that cause currencies to depreciate.

"The gold-backed dinar will essentially constitute a gold transaction and will stabilise trading internationally," Mahathir said.

The former prime minister's keynote speech was titled "A Recipe From Malaysia for Growth: Vision 2020".

The former prime minister told the forum how Malaysia rose from an impoverished, resource-rich country to a high-tech manufacturing nation. --  
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