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USE GOLD DINAR FOR MELAKA-INDONESIA TRADE, SAYS ALI

MELAKA, July 23 (Bernama) -- Chief Minister Datuk Seri Mohd Ali Rustam has proposed using the gold dinar as a bilateral trading currency between Melaka and Indonesia.

Areas where gold dinar could be used include airline tickets and tourism expenses, he said.

"The gold dinar system is stable, free of inflationary pressures, and is less prone to attacks by foreign currency speculators," he told reporters after launching Yayasan Melaka's appointment as a gold dinar agent.

The idea for using gold dinar, he said, came from former Prime Minister Tun Dr Mahathir Mohamad who suggested it as an alternative to the global foreign currency system in use, especially for Islamic countries.

Mohd Ali said the state government would permit the use of gold dinar for paying zakat, dowry and as savings, and its use could widen in Melaka if more state government agencies accept it.

Yayasan Melaka, of which he is chairman, is targeting sales of RM2.7 million in its first year, he added.

-- BERNAMA

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