

**Use Gold To Value Currency, Relook Bretton Woods Agreement**  
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KUALA LUMPUR, Jan 17 (Bernama) -- Former Prime Minister Tun Dr Mahathir Mohamad suggested that the financial world should use gold to value currencies and relook the Bretton Woods agreement.

He said this would result in stable business based on real value and not speculation and avoid countries from falling into financial turmoil.

"(Probably) We should go back to the beginning. There's a Malay saying that when you get lost, you go back to the beginning," he told participants of the "Global Movement of Moderates" conference at a dinner here Tuesday night.

The agreement signed in July 1944 was to regulate the international monetary and financial order after the end of World War II.

Its main feature was to make it mandatory for each country to adopt a monetary policy that maintained exchange rate by tying their currency to the US dollar.

Dr Mahathir said at present the whole world has gone awry as far as the financial sector was concerned.

He said the value of money should be based on precious metal such as gold, which had maintained its intrinsic value and did not depreciate much.

"Gold always has value in the eyes of the people," he said.

Although he suggested that money should be pegged against gold, the former prime minister said using gold as a currency was not viable.

"Big businesses today operate in billions and obviously we do not have enough gold, but there are ways to manage this. To value money against gold is for international trade, not domestic (trade)," he said.

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