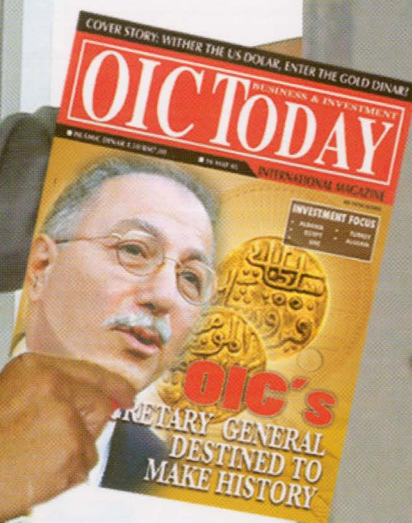




"Tourism among the OIC countries is improving. We are getting more and more Arabs coming here. This is actually the effects of the Arabs are not welcome in Europe anymore. This is good for us but we have to look into transportation. You can promote for more to come but you must into getting more flights here. MAS also have to play a part here."



An Exclusive Interview with Tun Dr. Mahathir Mohamad

-By Dato' Dr Raja Mohamad

OIC Today had the opportunity to interview Tun Dr Mahathir Mohamad, former strong man of Malaysia and now adviser to the country's oil company Petronas and auto maker Proton. The former Prime Minister spoke of the OIC as an organization and of what he thinks must be done in terms of aids and assistance to OIC countries. He also spoke on various issues that will be of interest to the readers of OIC Today. The Chairman of the OIC Today carried out the interview at the office of Tun Mahathir.

Gold Dinar

You have always supported and 'sell' the concept of Gold Dinar, but till today it has not been implemented. What is your opinion on the status of this matter?

Malaysia must make more effort. Just one meeting will not do. There must be follow ups. Initially there won't be any results unless you persist. There is meant to be hiccups at the beginning of everything. But we have to look far ahead, paper has no value. You can write any number on a piece of paper and call it money, but it has no value and because it has no value, it can be appreciated and depreciated.

But gold has a specific value in any country, so we know that when we compare to gold, we're comparing to something that has value as such. That is why we propose that we should use gold as the reference currency.

So it is a much more stable currency. Not subjected to manipulation.

Any OIC member countries implimented gold dinar?

We should begin with two or three countries and see how it works, and correct all the mistakes. And I'm quite sure other countries will come on board one by one, and eventually it will be a currency that is accepted by all for the settlement of trade.

As it will be a perfect tool for bilateral trade among the Muslim country and make the economy stronger.

2003 Malaysia Host of OIC Summit

How far we have achieved our objectives after the OIC Summit?

Allahamdulliah, the trade among OIC country has increased. It has also boost the tourism sector. Since the Summit, many tourist come from Arab countries to Malaysia for holidays. The IDB also plays a major role in developing OIC countries.

Inter trade among the OIC countries

OIC country till today is still below of 10%. How to increase & what are we suppose to do?

These oil producing countries are extremely rich. We will have to find out how to mobilize them. They are consumer country. They don't produce anything other than oil. Beyond oil there's nothing. If Muslim countries don't make an effort to sell to these rich countries, naturally they will continue to buy from Europe, America, Japan, and China.

The rich countries can invest in the poor countries. **Giving aid is not the way. The best is for the rich Muslim countries to invest in infrastructure in the poor countries.** The problem with these rich countries is they have no idea about manufacturing, so the best is for them to invest in infrastructure such as power,

roads, railway lines etc. This is the way they should go and they will get their returns. "That will increase the inter trade". If they have no expertise they can join venture with other countries. They can start on industry in the poor countries.

At an average, most Africans live on USD1 per day. They suffer from lack of nutrition, hunger, Aids and HIV. How to help the less fortunate countries?

It's not about how much money you put in the African countries it's about going in and starting an industry. There are companies there already like Shell. The oil companies have a lot of money and you have to go in and produce it yourself. This will create new jobs for poors and also the rich countries should visit tour package to this poor countries for better living.

Oil Price

What is your opinion about the un stability of the oil prices?

The oil prices has shot up because the consumption has gone up and it so happens that several things had come up into play. Like the hurricane. After the Gulf of Mexico was hit, there is where most of the oil rigs are. There will not be able to produce oil. The refineries were all destroyed. The capacity to refine is not there. The storms are still hitting the Gulf of Mexico and they will not be able to produce the usual amount.

What is the real cost?

The price of oil in Malaysia is heavily



Successful Leaders Have the Courage to take action while others hesitate

A Motivator

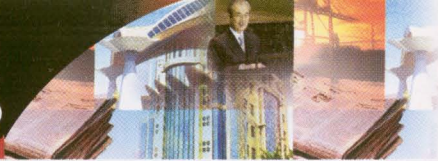


subsidized by the Government. Petronas cannot subsidize. It has to sell at the usual price unfortunately the people who get subsidized oil, smuggle it out. For example the fisherman. They get much more money doing this rather than fishing. The price of petrol here is very low. It's 1/10 of the petrol price in England. It's UK1.3 per litre there. The exchange rate with ringgit amounts to about RM9 per litre. If you charge RM9 here, they'll scream. It's very cheap here and its wrong to think that Petronas is making more money. The price of oil has doubled but the price of petrol has increased marginally. The facts now is that wages will have to go up for the workers but you also to see it as what is the percentage increase of petrol and what is the percentage of individuals consumption. It could be that the consumption is 10% of his total cost but cannot say an increase has to be 50% whereas the petrol price had a 10% increase. The petrol price increase here is very minimal.

Human Capital

- the whole world is focusing of it. How it can benefit the OIC country?

The problem is the rich OIC countries tend to employ our professionals and pay 3-4 times more and we will lose our professionals because we can't stop people from going. We trained them and they will choose the money. If you go Middle East you will see a lot of Malaysian there. Pilots, engineers. What the rich should do is they should sponsor students, pay for their studies and employ them later. Yet they take people who are already working by offering more money. We will loose



■ **DECLARATION...** Prime Minister Datuk Seri Dr Mahathir Mohamad as the Chairman of the 10th OIC Summit accepting the First Ladies OIC Dialogue Resolution and the Peace Memorandum from People's Alliance for Peace Malaysia from Foreign Minister Datuk Seri Syed Hamid Albar at the summit's closing ceremony in Putrajaya Convention Centre. Looking on is Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi (seating, right).

our human capital. They should be made to pay for the training of any nationality even Malaysians, then employ them after the training not just grabbing people who are already professionals. Malaysia can be the ideal training ground.

Islamic Banking

-How to encourage OIC countries to practice Islamic banking?

-What are your views on these issues?

It will work by itself. Many have found it better to borrow the Islamic banking way. Even the non-muslim are borrowing from it. Some OIC countries don't allow Islamic banking. It's just their policy; we can't do much about that. The Islamic Banking is already on track.

Tourism Sector

OIC Trade Chamber plan to setup Islamic tourism and cultural heritage in Malaysia. Do you think that this will help to increase the tourist among OIC country?

It is a very good initiative. Tourism among the OIC countries is improving, and this centre will help get things organized and further increase the inter-trade.

We are getting more and more Arabs coming here. This is actually the effects of the Arabs are not welcome in Europe anymore. This is good for us but we have to look into transportation and many other factor. You can promote for more to come to Malaysia.

Halal hub?

This seems to be the most common issue around currently. What's your advice and comment ?

You can rear cattle or sheep at anywhere but it's the processing that determines whether it's halal. Compare to Australia, the farming is in Islamic countries are considered primitive. The Australians and Europeans are organized farming. We need to find and organize a country with vast land to do farming to produce enough halal meat to be supplier country among the Islamic countries.

IDB

Will the IDB contribute much to the development of the OIC nations?

It has and will continue contributing to the society. I've been appointed as the Chairman to advise the IDB. That will be complete by the end of this year. We will make some recommendations with the aim of improving the education and to create employment. IDB helps to foster the economic development and social progress of member countries

It has previously help set-up university, allocate funds for hospitals and rural schools.

IDB is always committed in alleviating poverty and promoting human development

Import/Export.

90% of trading OIC country comes from China. What is your comment?

We cannot compete with China as their products is dirt cheap that's why its still the biggest exporter to Islamic countries. There many Chinese products in Arab countries. Chinese products are all over the world. The only way for us to compete is for us to manufacture in China and export....By doing that it will affect everyone. The Chinese are very productive. OIC Today



Tun Dr. Mahathir Mohamad
Born To Lead...