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Confidence returning as seen from PM's fruitful visit to Japan

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MALAYSIA is back to talking business and money. After months of having to deal with the recession, the confidence seems to be returning.

The indications were in fact quite encouraging during Prime Minister Datuk Seri Dr Mahathir Mohamad's six-day visit to Japan which ended yesterday.

For one, he capped the trip by getting the Japanese Government to express enormous interest in providing guarantees to sovereign bonds issued by Malaysia.

On Wednesday, Japanese Vice-Minister for International Affairs with the Ministry of Finance Eisuke Sakakibara emerged smiling from a one-hour meeting with Dr Mahathir in Tokyo to volunteer a statement to the Press about Japan's keenness in the matter.

He even said that Japan was eager to start talks to work out details of the bond guarantees.

Sakakibara, dubbed Mr Yen because he wields great influence in the financial affairs of the Japanese Government, was all praise for Malaysia which he said adopted the correct policies to overcome the economic crisis.

Significantly, the interest by Japan came just a week after a US\$1 billion (RM3.8 billion) 10-year global bond launched by Malaysia in New York was oversubscribed by three times.

"It's a feat by all accounts. Six months ago, nobody would have thought Malaysia would have come back with such a resounding success," Sakakibara said.

A clear sign of increased level of foreign investors' confidence? But that's not all.

Dr Mahathir began this trip with a four-day stay in Nagoya during which he visited Toyota Motor Corporation facilities. And he was talking business with the company's chairman Shoichiro Toyoda.

Toyoda also showed interest in helping out Malaysia in its automotive industry - certainly a big boost for Malaysia considering that Toyota is not only the biggest car-maker in Japan but also one of the largest companies in the world.

The Prime Minister may have big plans for the Malaysian car industry judging from the Toyota visit because he seemed to be very interested in things he observed at the Commemorative Museum of Industry, the Toyota Kaikan Exhibition Hall and Toyota Automobile Museum.

In fact he took almost the entire day to cover the three places.

Dr Mahathir's mood for a "study tour" began even before the visit to Toyota. A day after he arrived in Nagoya, he went "out of town" overnight for private visits.

His aides said he toured farms and several agricultural places of interest to see the Japanese at work.

The wish to get a first-hand look extended even further. When it was time to move to Tokyo on Tuesday, he preferred to take the bullet train and sat in an ordinary coach with the rest of the members of his delegation.

Of course he attracted much attention at the very crowded train stations when he got on and off as those who recognised him bowed and greeted "Mahathir-san".

But Dr Mahathir must have observed a lot during the one and a half hour

ride from Nagoya to Tokyo, passing through towns and farmlands - no forests.

Even from the Tokyo station to Hotel Okura where he stayed, the Prime Minister joined his delegation on the bus instead of opting for a limousine with outriders.

Dr Mahathir's functions in Tokyo were well received and in the dialogues, the questions just kept coming, signifying great interest in the man and the country.

At the launch of the Japanese version of his book A New Deal for Asia, the publisher Shigero Tsugamura said he was making business out of the book because he believed in Dr Mahathir and Malaysia.

During the Press conference that followed, Dr Mahathir was asked to give his opinion on many issues including those concerning Japan's relations with China and the United States.

His speech at the Nikkei conference also left many sufficiently impressed, with one delegate T. Kondo from the Japanese Strategic Research Institute standing up during the question and answer session to say that it was a "wonderful talk".

Kondo then went on to ask whether Dr Mahathir agreed with what former German Chancellor Helmut Schmidt had predicted - that one day there will only be three currencies in the world: the US dollar, the euro and the renminbi (instead of the yen).

Dr Mahathir said the third currency was likely to be the yen because the renminbi's use now was very limited.

A Malaysian official privately remarked after that: "Yes, the confidence seems to be returning - even the Japanese are asking our leader about currencies."

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