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MAHATHIR-YEN BONDS

MALAYSIA MULLS ISSUING EURO AND YEN BONDS

By: Khairdzir Yunus

TOKYO, June 3 (Bernama) -- Datuk Seri Dr Mahathir Mohamad said today Malaysia may issue Euro and Yen bonds by making use of the partial guarantee facility provided by Japan under the Miyazawa Plan.

The Prime Minister said Malaysia was certainly interested in the assistance offered by Japan to partial guarantee bonds issued by Asian countries.

"We will study the offer and may utilise the facility," he said during a question and answer session after launching the Japanese version of his new book "A New Deal For Asia" here today.

He said the market was good for Malaysia to issue bonds especially those denominated in the yen.

The Prime Minister said Malaysia may also request Japan's assistance under the Miyazawa Initiative for its ongoing projects in the country.

Under the Miyazawa Plan, Japan would provide a US\$30 billion fund to help in the economic recovery of Asian countries.

On the proposed establishment of an Asian version of the International Monetary Fund (IMF), Dr Mahathir said Malaysia was very supportive of the idea when it was first announced.

"Unfortunately, it was not started when it was announced, when at that time it was very much needed by the Southeast Asian and East Asian countries where it could have made the debt of the countries not so bad if it had been available then," he said.

However, he said, the Asian Monetary Fund would still be useful to speed up the economic recovery of many Asian countries.

On the upcoming Group of Seven (G7) Summit meeting in Cologne, Germany on June 18, Dr Mahathir said he hoped the G7 leaders would focus on the restructuring of the international financial system.

G7 groups the world's major powers including the United States.

"I believe it is the forum to decide on this as the G7 comprises the major powers of the world as its members. I hope it will make a firm decision on the architecture of the so-called international monetary system which will stabilise and determine world prosperity," he said.

The Japanese version of the Prime Minister's new book is titled "Japan Recovering Asia Rebuilding".

Present at the launch were Tachibana Publishing Inc. chairman Shigero Tsugamura, its Japanese publisher and Malaysian Ambassador to Japan Tan Sri Haji Muhammad Khatib.

The book, originally published in English by Pelanduk Publications, once again provides an insight to Dr Mahathir's far-reaching thoughts on how the world would shape up and how ethnic and national barriers would crumble.

In the book, Dr Mahathir says the next century will be a World Century and the world will shrink even more because of the ease in travel and communications.

Later today, Dr Mahathir will call on his Japanese counterpart Keizo Obuchi at his residence after the Malaysian Prime Minister delivers a keynote address at the international conference "The Future of Asia" at a hotel here.

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