

---

【Summary】

Introduction

YAMAMOTO Hiroyuki  
(Kyoto University)

In 1982, Malaysia implemented the Look East Policy programme, which sends Malaysian students to universities and institutes of technology and trainees to industries and training institutes in Japan. These initiatives are funded by the governments of Malaysia and Japan, the latter of which dispatches Japanese teachers to Malaysia. A total of approximately 15,000 Malaysian (about 14,000 in a Japanese source) have come to Japan over a thirty-year period, either to enrol in specialized courses of higher education or to receive industry and business training. In addition, the Japan International Institute of Technology (MJIIT) was established in Malaysia in 2011; its Japanese professors allow Malaysian students to learn about the technology of Japan.

With Malaysia's remarkable progress, the economic situation has drastically altered since the Look East Policy began. Government officials and business groups in Malaysia and Japan are reviewing the programme as they ready its second stage, all the while celebrating its 30<sup>th</sup> anniversary. However, contrary to the recognized importance of the programme, few studies of it have been undertaken by Japanese or Malaysian researchers, and those that exist largely concentrate on the human resource development or investment of the Look East Policy rather than on its social and cultural aspects. The programme must be understood in the wider context of the relationship of Malaysia and Japan and of their peoples.

Given this situation, the Japan Association for Malaysian Studies (JAMS) set up a research project in 2012 to evaluate the achievement of the Look East Policy and to make recommendations for its future development. As an academic association with a variety of scholars as members, the JAMS is able to study the Look East Policy in terms of its development of human resources and investment and its impact on society and culture. This special issue is composed of four articles based on the research and the discussions undertaken by the JAMS Look East Policy research project.

---

【Summary】

Look East Policy's 30 Years and Beyond:  
Japan-Malaysia Relations

YOSHIMURA Mako  
(Hosei University)

Thirty years have passed since 1982 when Dr. Mahathir announced the Look East Policy. The Look East Policy has taken an important role in the relations between Japan and Malaysia and the Japan-Malaysia relations have further developed, especially economic cooperation in these three decades.

The relations between Japan and Malaysia have a long history. The first record is the Ryukyu ship visit to Melaka (Malacca) in 1463. There have been various forms of migration such as traders, merchants, planters, *karayuki-san* (Japanese prostitutes), fishermen and so on since then. The Japanese occupation from 1941 to 1945 had a strong impact on the local society: memories of food shortages, the massacre of Chinese, as well as conflicts between Malays and Chinese.

Japan re-started relations with Malaysia after WWII. Japanese direct investment in Malaysia has remarkably increased since the 1980s because of the appreciation of the Japanese yen and the Malaysian government's policy on foreign direct investment. The Japan-Malaysia Economic Partnership Agreement (JMEPA) was signed in 2005.

The economic situations, however, have changed for Malaysia and Japan. For Malaysia, Japan is not the No.1 investor in the local economy anymore since foreign direct investment from other countries (such as the USA, Singapore, Taiwan and so on) has also increased in Malaysia. Japanese companies have been expected to provide human resource development and technology transfer as well as increase exports and create jobs. Yet, it was often pointed out that the Japanese companies have not contributed as much to human resource development and technology transfer as the local economy expected. Also, there are some difficulties with the "localisation" of Japanese companies in Malaysia.

On the other hand, Japanese companies (as multinational corporations) always seek for the best locations for their production sites in the Asian region. The wage standard has increased, and the labour shortages have been serious in Malaysia during the past 30 years. Today, if Japanese companies seek cheaper labour for their labour-intensive production lines, Malaysia is not the best location because there are many other attractive locations with cheaper labour, such as China, Vietnam, Myanmar and/or Cambodia. The situation has changed since the 1980s.

This paper studies the transformation of Japan-Malaysia economic relations in these three decades. It examines the changing position of Japan in the Malaysian economy and the Japanese companies' evaluations on Malaysian economy. It will also discuss a new stage of the Look East Policy and make suggestions for better Japan-Malaysia economic relations in the future.

---

**【Summary】****The Look East Policy and Industrial Catch-up**

ANAZAWA Makoto

(Otaru University of Commerce)

This article refers to the background and possible contribution of the Look East Policy to industrial development in Malaysia in the 1980s. As is well known, the policy was introduced by former Prime Minister Dr. Mahathir Mohamad in 1982 to emulate Japanese companies apropos of work ethics, company loyalty, efficiency, long-term management perspectives and so forth. These were the main elements of the so called Japanese management style.

Malaysia, as a late comer to the modern manufacturing industry, tried to catch up to more developed Asian countries, such as Japan and Korea. It was natural for Malaysia to follow the successful paths already shown by these more advanced economies. In fact, the import substitution industrial strategy in light industries during the 1960s and the export oriented one in the labor intensive industries in the 1970s contributed to rapid industrial growth in Malaysia.

Malaysia rushed into heavy industrialization — the second stage of the import substitution in the heavy industry—in the early 1980s. For this purpose, the government established the Heavy Industry Corporation of Malaysia (HICOM) in 1980. HICOM entered steel, automobile and some other industries by setting up joint ventures mainly with Japanese companies.

Heavy industrialization required new types of management resources, which were not always demanded in the early stages of industrialization during the 1960s and 1970s. It was necessary to produce a number of talented managers and skilled engineers to sustain the competitiveness of the heavy industries and to upgrade industrial fundamentals as a whole. However, Malaysia was facing a shortage of these human resources at that time. The Look East Policy should have contributed to supplying these human resources by sending many students and engineers to Japan and Korea.

It is quite difficult to estimate how effective the Look East Policy was in producing the necessary human resources for the industrial development. None- the- less, it seems possible to analyze its contribution by using economic concepts such as human resource development, organizational capability and total factor productivity (TFP).

The Look East Policy might have accelerated the inflow of foreign direct investment (FDI) from Japan and Korea. The increase in FDI by Japanese companies in the first half of the 1980s can be attributed to joint ventures with HICOM. The Look East Policy also facilitated FDI by Japanese companies by making environments more favorable for them. The higher growth rates of FDI by Japanese companies in the late 1980s and thereafter, however, can be explained mainly by the appreciation of the Japanese yen since 1985.

---

【Summary】

## Look East Policy and Ethnic Politics

SHINOZAKI Kaori

(The University of Kitakyushu)

The main pillar of Malaysian Look East Policy (LEP) has been sending its students to Japanese Universities and National Colleges of Technology. The responsibility for sending students abroad has fallen mainly under the jurisdiction of JPA (Jabatan Perkhidmatan Awam, or Public Service Department), an agency that distributes collegiate scholarships to Malaysian students studying both locally and overseas. Though most of the scholarship recipients are bumiputra, the policy has not faced much criticism concerning the unequal opportunity among ethnic groups.

Despite the lack of direct criticism toward LEP, many Malaysian people have expressed concerns about the distribution of scholarships provided by the JPA. When the scholarship results became available in May each year, the public commented on how many non-bumiputra students with excellent academic scores were excluded from the opportunity. They also criticized the JPA for unfair distribution and lack of transparency in the process of selection. It has been said that 90% of overseas scholarship went to bumiputra students before 2008.

Responding to the criticism, the Malaysian government has changed the policy on the distribution of overseas scholarships, moving toward a merit-based system since 2008. In 2012, the government introduced a new policy. According to the revised 2012 policy, the students that receive the top 50 scores on the SPM (Sijil Perlajaran Malaysia or Malaysian Certificate of Education) receive JPA scholarships for both pre-university and university, and the 9A+ SPM students receive awards from the Ministry of Education further education at pre-university. Additionally, SPM students studying engineering in France, Germany, Korea, and Japan gain special scholarships from JPA (LEP program is included here). The 2012 policy revision also provides scholarships for SPTM (Sijil Persekolahan Tinggi Malaysia or Malaysian Higher School Certificate) students who are admitted to government-selected top-ranking universities. The process for selecting the engineering students and the SPTM students is guided by four criteria: scholastic ability (20%); ethnicity (60%); status as Sabah or Sarawak bumiputra (10%); and social disadvantage (10%).

Despite the changes to the policy, the 2012 the scholarship program under LEP still appeared to favor bumiputra students. The Centre for Foundation Studies in Science, University of Malaya, a main preliminary institution for university programs accepted only bumiputra students. The award system for the LEP may be changed according to the general trend the overseas scholarship policy as a whole.

It is interesting to note that the LEP is often mentioned when the public criticizes the authorities for its poor performance. In most cases, these critics are non-bumiputra and accuse the authorities of failing to sense of responsibility, discipline, management skills, and work ethic from the East. In this context, the Look East Policy has been deemed “unsuccessful.”

---

**【Summary】****Japan-Malaysia Relations, 1982-2012:  
From Look East Policy to Diplomatic Lethargy**

SUZUKI Ayame

(Fukuoka Women's University)

With deepening economic ties and the symbolic significance of the Look East Policy (LEP) introduced in 1982, Japan and Malaysia were considered to have developed a special relationship. In the mid-1990s, however, bilateral relations somehow tapered off as evidenced by the declining visits of Ministers and the absence of cooperation on issues of vital national concern.

This paper tries to explain this somewhat lethargic bilateral relation by examining official diplomatic documents of each country. Through such examination, the paper describes Japan-Malaysia relations since the 1990s as “inopportune” as shifting priorities and strategic relations, and changes in the governments in each country hindered them from scaling up bilateral relations.

The “inopportune” relations are manifested by key developments from the 1990s. When Malaysia proposed the East Asian Economic Group (EAEG) in the 1990s and urged Japan to play a bigger role in regional and international security, Japan did not respond positively given the strong pressure from the United States and constraints by the Peace Constitution. Instead, support for EAEG came from China, an economy that also provided an export market unlike Japan, which made Malaysia-China relations closer than ever. Thus, Malaysia started to strike the balance between Japan and China from the late 1990s. This explains KL's hesitation to support Japan's subsequent initiatives to be a regional and international power, such as the Asian Monetary Fund and the bid to be a permanent member of the United Nations Security Council.

While the 2000s saw Japan's active diplomacy in East Asia, Malaysia had then shifted its orientation toward Islamic countries and China, following the resignation of the Prime Minister Mahathir Mohamad, the proponent of the LEP. Accordingly, bilateral diplomatic relations slowed down with the exception of the prompt conclusion of the Japan-Malaysia Economic Partnership Agreement in 2004. Najib Razak's New Economic Model (NEM) could have boosted the bilateral relations as he attempted to attract Japanese investments and to revive the LEP in line with the NEM. However, the government of Japan was preoccupied with repairing relations with the United States affected by the issue of U.S. naval bases in Japan and later with post-earthquake reconstruction.

In spite of the sluggish relations in the past two decades, the two countries can strengthen relations by working on shared values and interests that include the resolve to ensure regional security based on an international legal order. Rebranding the LEP in accordance with the significant economic and social development in Malaysia as well as the changing regional environment may also strengthen the bilateral relations.

---

【Summary】

Controversy around the concept of Malays in the British administration:  
Analysis on the Land Policy in the State of Selangor

TSUBOI Yuji

(Research Fellow, The Toyo Bunko)

This paper reexamines the process of the formation of the official concept of Malays in British Malaya through analysis on the land policy in the state of Selangor. As the British tried to control native society through the land administration, their image of Malays had taken its form along with the development of the land policy.

The process of planning and execution of the land policy contained the work to conceptualize Malays. By the beginning of the 20<sup>th</sup> century, the British had made their image of Malays as settled subsistent peasants. They concerned for encroachment of export-oriented rubber cultivation into Malay lands. The Malay Reservation Enactment in 1913, which defined officially the Malays for the first time, tried to prevent Malays from selling their lands to non-Malays. The Rice Land Enactment in 1917, which reserved certain areas for rice cultivation, also showed their principle to distinguish the subsistent sector from the export sector and enclose Malays within the former.

However, there was a discrepancy between the image of Malays and actual behavior of Malays. Contrary to expectation of the government, Malays often acquired lands to cultivate rubber for commercial interests, not for subsistence rice cultivation. The official definition of Malays contained immigrants from neighboring islands such as Sumatra, Borneo and Java. As there were a lot of foreign Malays in Selangor, their land tenure was fluid rather than stable. British district officers, well aware of the situation, were quite critical against the policy planned by the central government.

Meanwhile, Malay rajas actively backed the land policy to secure Malay lands from the threat of foreigners. In fact, their image of Malays as subsistence rice farmers was even more conservative than that of British officials. The process of the formation of Malay image was collaborative work between British officials and Malay rajas. Controversies around the Malays were conducted not between the British and the Malays, but between the center and the districts.

The controversy suggested various parties participated in making the policy. The government was persistent in the image of subsistent Malays in consideration of Malay rajas. Though the role of Malay rajas in the administration so far had been underestimated, analysis on the land policy puts the necessity of reexamination on their role.