

Volume 21, Issue 1, DOI: <u>https://doi.org/10.17576/ebangi.2024.2101.11</u>

Article

# The Second Wave of Look East Policy (LEP 2.0): Enhancing the Bilateral Relations Between Malaysia - Japan

Hanim Ismail\* & Ahmad Faiz Yaakob

Fakulti Sains Pentadbiran & Pengajian Polisi, Universiti Teknologi MARA (UiTM), Cawangan Negeri Sembilan, Kampus Seremban, 70300, Seremban, Negeri Sembilan.

\*Corresponding Author: <u>hanimismail@uitm.edu.my</u>

# Received: 09 November 2023 Accepted: 19 December 2023

**Abstract**: Japan was among the first countries to establish diplomatic relations with Malaya (then Malaysia). On 9 September 1957, nine days after Malaya achieved independence, Japan opened its embassy in Kuala Lumpur. The introduction of the Look East Policy (LEP) in 1982 strengthened the existing Malaysia-Japan bilateral relations. The main objective of this study is to examine the nature of the bilateral relationship between Malaysia and Japan during the implementation of the Look East Policy (LEP) and to identify the mutual benefits obtained by both countries in the implementation of LEP 2.0. This study adopted a qualitative analysis method by conducting intensive interviews and focus group discussion involving 13 informants who were directly involved with the implementation of LEP. The study found that, among other things, while LEP made the good practice of the Japanese people as the main driving factor, it also included the Japanese work culture, discipline, ethics, integrity, accountability, management and strategic partners. Three decades after the implementation of LEP 2.0, it prioritised new areas in line with technological developments in the millennial era. In line with that, LEP 2.0 also focused on the context of mutual benefit (common interest) for both countries especially in Halal hub industry and tourism.

Keywords: Look east policy; second wave; bilateral relations; work culture; mutual benefits

# Introduction

Look East Policy (LEP) was one of the major developmental policies to develop Malaysia. The then Malaysian Prime minister Tun Mahathir first rolled out LEP on 8<sup>th</sup> February 1982 during the 5<sup>th</sup> Join Annual Conference of MAJECA/JAMECA' in Kuala Lumpur (official website of the Prime Minister). LEP referred to Eastern countries with advanced economies and developed infrastructure. The main objective of LEP was for Malaysians to adopt and adapt the work ethic and culture of developed Eastern economic powerhouses like Korea and Japan. Japan, for one, suffered immensely from nationwide destruction and economic collapse brought about by World War II (WWII). However, Japan took only 25 years to revive and make astonishing economic recovery and growth after the end of WWII in 1945. Such a tremendous economic success within a short span of time was attributed mainly to the Japanese's exemplary ethic and work culture, among other things. Tun Mahathir saw such an ethic and work culture as one that each and every Malaysian should adopt.

However, LEP was not new. It had actually been in practice ever since Malaya was a British colony. In essence, it began in 1906, followed by the resulting conflict brought about by pro-West stance and the interests of the Japanese and Dutch investments from 1910 to 1980 (Uqbah, 2017). The look east stance during

the British colonial years can be divided into two phases: (i) Pre-1920 phase led by "Kaum Muda" and (ii) Post-1920s phase led by print mainstream media (Uqbah, 2015). The spread of this look east stance via newspapers and magazines served as a conduit or channel with which Japan was to be seen as a model for an advanced Malay society. Mohd Ikbal (2010) noted that Japan was the first country to open its embassy in Malaya on 9<sup>th</sup> September 1957, nine days after Malaya proclaimed its independence from British in 31<sup>st</sup> August 1957.

In the first three years after Malaya (then Malaysia) and Japan established their bilateral relations, both countries had signed their first trade agreement on 10<sup>th</sup> May 1960. After independence, Malaya's open economic policy enabled it to establish bilateral relations with other countries like Japan. Such a relation in post-independence Malaya as well as the country's look east viewpoint during the colonial years indicated that LEP was not entirely something new. In any event, LEP served as the beginning to strengthen the existing bilateral relations between the two countries in as much as it served to elevate and streamline closer cooperation in areas identified as the key priorities for LEP. As opposed to other policies, which were bound and implemented according to Malaysia's policy implementation principles, Tun Mahathir's LEP did not have to go through the legitimization process. In other words, LEP was not debated in the Parliament and its implementation was more of a 'top-down' approach i.e. directly presided over and delegated by Tun Mahathir himself down to relevant ministries and treasury agencies (Mohd Ikbal, 2010).

Certainly, in this context, this paper investigates the post-implementation dynamics of the relationship between Malaysia and Japan following the introduction of LEP 2.0. The study also sheds light on the specific strategies of empowerment that were put into practice subsequent to LEP 2.0. A comprehensive evaluation is carried out to gauge the extent to which the objectives of LEP have been successfully achieved and to quantify the advantages accrued by both nations in the realms of economic and educational collaboration. The research findings suggest that the benefits derived from this collaboration outweigh those realized in the two sectors.

### **Literature Review**

1. The implementation of LEP and the Adoption of Japan's Work Ethic in Malaysia

Upon assuming the power as the fourth prime minister, Tun Mahathir was convinced that Malaysia possessed the fundamental and necessary capabilities to become an industrialized nation in Asia, modelled after Japan and Korea. Thus, Tun Mahathir saw that it was only appropriate that Malaysia ditched its West-centric view in favour of the Eastern economic powerhouses like Japan and Korea whose economic successes by then had equalled, if not better, than those of the West. Essentially, Malaysia should make the two Eastern countries as the model of economic miracles whose successes were primarily driven by the industrious work ethic and hardworking culture of their people. For Tun Mahathir, such an ethic played a key role in propelling Malaysia's economy to greater heights. Tun Mahathir's critics of the Malays in his book 'The Malay Dilemma' also contributed to him coming up with such an idea to introduce a game-changer policy that would help transform the Malays into becoming just like the people of developed and economically advanced Eastern countries. The book, published in the 1970s when Tunku Abdul Rahman was the sitting Prime Minister, drew the ire of many with its radical and controversial ideas. The government moved swiftly by banning the book soon after it was published. The ban was only lifted when Tun Mahathir became the Prime Minister in 1981. Soon after, due to its intellectual quality, the book was made as the groundwork underpinning the implementation of LEP.

In this book, apart from criticisms directed against his own political party UMNO and its leadership, Tun Mahathir offered an elaborate deduction of the weakness of the Malays. Accordingly, he blamed the influence of the culture and heritage for impeding the Malays' progress and development. Tun Mahathir in particular admonished the attitude of the Malays who lacked self-belief, and in doing so, continued to allow themselves to be left lagging behind in many aspects like economy for which the other ethnics in Malaysia, like the Chinese, excelled. Tun Mahathir's views and criticisms served as a wake-up call for the Malays to rise and match the accomplishments of the other ethnics who had overcome adversity to prosper economically in the country. Therefore, when LEP was rolled out, it had specially tailored programs modelled after the culture and work ethic of the Japanese like the introduction of punch card system, use of name tag, formation of quality control circle team (QCC), open office concept, counter services or one-stop bill payment service, desk file and job procedure manual. In many ways, these encapsulated part of the country's administrative structural changes of which main purpose was to drive the civil service towards a high level of efficiency and productivity. Apart from these, training and academic programs were also introduced. They included industrial and technical attachments, academic study programs, technical study programs, executive study programs, industrial linkages and networking as well as entrepreneur development training schemes. The main idea for LEP was to increase efficiency, effectiveness, know-how, and adoption of positive work ethics of the Japanese and Koreans to boost productivity.

In addition, the objective of this policy was to increase by fold productivity and quality of work. It was in no way an attempt to deny or repudiate good values that Malaysians can learn from other countries. In the same vein, it also did not mean that Malaysia was obliged to award all national projects and contracts to Japanese or Korean companies. Nor did it dictate that Malaysia would procure only Japanese and Korean goods and products, except in the case when their offers were better than those of the others. On a whole, the implementation of LEP had a number of important aims such as fast progress and advancement achievable within a short period of time whilst keeping intact Eastern values (Azmi Al' Alwi, 2010).

Previous studies have discussed the implementation of the Japanese Production System (DPT) in Malaysia based on the primary objectives of DPT to instil Japanese work culture. However, there has been limited discussion and assessment of DPT after 40 years or during the second wave of DPT. This gap has led to the focus of this study, which aims to discuss and analyze in detail the implementation of Look East Policy (LEP) through close cooperation between Malaysia and Japan, ultimately benefiting both nations. In addition to education and trade aspects, this article also emphasizes various forms of bilateral relations between Malaysia and Japan. As for the timeline, this study covered the 40 years of LEP implementation i.e. 1982 – 2022, which comprised the implementation of the second phase of LEP (LEP 2.0). This study also examined and evaluated the bilateral relations of Malaysia and Japan through the rollout of LEP 1.0 in 1980 up to LEP 2.0 in 2012.

### **Research Methodology**

#### 1. Qualitative Methods

This study employs a qualitative method because qualitative research is conducted in a natural setting, and the researcher serves as the primary instrument for data collection through verbal means. The analysis is conducted inductively, focusing on the meanings created by the study participants, and is articulated in expressive and engaging language (Othman Lebar, 2007). As a qualitative research, this study used intensive interviews and focus group discussions for primary data. This study was also supported by secondary data acquired through library research such as books, journals, official news and websites.

#### 2. Sample

This study brings together 13 informants who are directly involved with the implementation of LEP. Other than interview with Tun Mahathir himself as the founder.2 of LEP, five other informants were a civil service retiree and four diplomatic and administrative officers who were directly involved in ensuring the smooth implementation of LEP. This study also interviewed a Japanese language teacher who was also an alumni of Malaysian undergraduate students exchange program to Japan. As for the focus group discussion, seven informants who used to work for SONY factory in Penang were involved. They were individuals who came from different departments of the factory. SONY is a Japanese-owned factory in Malaysia that incorporates Japanese work ethic and culture among its workforce. The experiences and views of the informants on Japanese work ethic and culture were studied. As a consequent to that, themes were constructed to reflect the noble values of the Japanese, considered to be the contributing factor for the implementation of LEP in Malaysia.

## 3. Data Analysis

The themes of this study were generated out of the interviewees' recurring responses and views. The data acquired from these intensive interviews were analysed by identifying the themes, and classified according to the responses gathered as well as similar words used by the majority of the informants (Taylor & Bogdan, 1984). Key ideas obtained from the interviews data were recorded and highlighted because they shaped the patterns of idea, views and words that could be constructed into themes. Recorded and transcribed interviews were examined and coded according to recurrent words and experiences of the majority of the informants, which subsequently helped this study to come up with the constructed themes. The responses of the minority of the informants represented comparable views of their experiences with Japan. In spite of that, their responses were taken into account since they implied different but important viewpoints. All of the informants responses denoting their experiences with Japan had formed five key themes, with each being constructed out of the search for repetitive, identical words and meanings generated from the interviews. The five main themes were discipline, ethics, management, integrity and accountability as well as strategic partners.

## **The Findings**

1. Factors for the implementation of LEP in Malaysia

#### Punctuality

Based on the interviews, it was found that most informants held positive views on the Japanese and their work culture. The views and experiences of the informants on the Japanese work culture were categorized as one of the contributing factors that helped with the implementation of LEP. As far as the Japanese work culture was concerned, the Japanese put a high value on punctuality. They were renowned as individuals who liked to be on time (punctual). This positive habit eventually became a habit for the majority of the informants themselves who were directly involved in implementing LEP. Japanese companies operating in Malaysia used punch card system to ensure their workers or staff turn up and leave from work according to their pre-determined working hours. Based on the interviews, it was evident that the informants held positive views regarding the Japanese and their work culture.

Specifically, the informants highlighted certain aspects that contributed to the successful implementation of LEP. Notably, the Japanese work culture, characterized by a strong emphasis on punctuality, played a significant role. The informants' experiences reflected the importance of punctuality in the Japanese work environment. One informant mentioned, "He happened to be sitting here in this policy affairs area, and we were the coordinators, organizers for meetings, and punctuality was indeed a practice..." Another informant shared, "One thing I try to emulate is not to throw rubbish anywhere; it has become a practice in my family, including punctuality as well." Moreover, the emphasis on punctuality extended to daily routines within Japanese companies. As one informant described, "Every morning, they have what we call an oral assembly, and they arrive on time. Let's say, if it's 8 o'clock, then they will arrive at..." This commitment to punctuality was also observed in Japanese companies operating in Malaysia, where a punch card system was implemented to ensure that workers adhered to their pre-determined working hours. Overall, the positive habits associated with punctuality within the Japanese work culture had a notable influence on the informants, contributing to the successful integration of similar practices in the implementation of LEP.

#### Prioritizing Quality and Productivity

Japanese workers put a lot of emphasis on productivity and the quality of product they make or produce. Workers in the manufacturing and industrial sectors, as an instance, must adhere to every instruction, procedures and regulations that have been put in place to ensure that they produce quality products. More often than not, these quality products usually involve a lot of planning and research before they enter the production line. They tend to work their best to minimize losses and they usually run a thorough study before making a decision on whether or not to proceed with a product. Japanese workers prioritize productivity and product quality. The informant emphasized, "With the development of human resources, everything was

created. The concept of productivity, the concept of kaizen, that's what we mean. So, we aim for that kind of teamwork." This reflects a commitment to integrating principles like productivity and continuous improvement, known as kaizen. In sectors like manufacturing and industry, workers diligently follow instructions, procedures, and regulations to ensure high-quality production. This commitment to productivity and quality aligns with the concept of kaizen, indicating a proactive approach to continuous improvement. The informant notes that human resources development is the foundation for these principles. Furthermore, the informant states, "...they have a work ethic similar to Japan, characterized by diligent work and a focus on quality." This affirms the dedication of Japanese workers to a strong work ethic mirroring Japan's values, contributing to the reputation for high-quality products. Additionally, the concept of working without chairs, inspired by the Japanese management style, is incorporated into their practices. Working while standing fosters heightened alertness among operators. The informant notes, "Operators working in this manner are reminded to be more alert to the processes they are engaged in." This approach aligns with the broader Japanese ethos, emphasizing attentiveness to detail and process efficiency.

## Loyalty to Employer and Organization

Loyalty to the job and employers make up part of the work culture of the Japanese. They highly value fealty and loyalty to their jobs and employers. The Japanese are well-known for having an aversion for frequent jobhunting or career-changing. This culture had also become a culture for informants working for SONY company. The informants eventually turned out to be a loyalist for their current employer and company. Loyalty is a cornerstone of Japanese work culture, encompassing both dedication to the job and unwavering commitment to employers. The informant emphasizes this by noting, "So, his loyalty is very strong. I mean, loyalty, punctuality... he takes care of it very well..." This underscores the significance of loyalty and punctuality within the broader Japanese work values. The informant further illustrates the enduring nature of work loyalty by mentioning an individual who remained dedicated to the same company for 15 years, even through changes in the company's name, such as NEC becoming Renecess. This commitment reflects the Japanese aversion to frequent job-hunting or career changes. Reflecting on personal work loyalty, the informant states, "After that, in terms of work loyalty, yes... so if asked why I am still loyal to SONY?" Here, the connection between genuine interest and loyalty is highlighted: "I enjoy working at SONY because of my love for technology. When there is genuine interest, loyalty naturally remains." This sentiment encapsulates the intertwining of genuine passion and steadfast loyalty in the Japanese work culture at SONY.

#### Diligence and Perseverance

The Japanese are also a very hardworking people. They attach strong commitment and diligence to any jobs and tasks given to them. They are highly focused to their work. They usually work long hours and they mostly do not mind working overtime in order to ensure that they excel in their work. For most of the time, the Japanese arrive home from work late at night. This hardworking culture makes them feel ashamed if they go home earlier than the rest. The Japanese are known for their strong work ethic, characterized by commitment, diligence, and persistence. They approach their jobs and tasks with unwavering focus, often working long hours and willingly putting in overtime to ensure excellence. This dedication is exemplified in the informant's statement, "... To make everything possible... then one must be hardworking. Yes, hardworking..." Their commitment extends beyond individual efforts to a collective dedication seen in endeavors to rebuild Japan. Observing the Japanese working diligently and earnestly, especially in national rebuilding efforts, reinforces the cultural value placed on hard work. Additionally, the importance of persistence is emphasized in the informant's mention of proposals and tasks, highlighting the thorough and persistent nature of their work approach. In summary, the Japanese work culture is characterized by a collective commitment to hard work, diligence, and persistence, contributing to their reputation for excellence in various professional endeavors.

#### Monitoring Work and Attendance

Recording their attendance (punch card) is one of the Japanese's working culture that should be made an example of because it helps ensure the workers to work hard and be trustworthy. The use of punch card is one

of the methods to record workers' attendance. It also helps to ensure the workers abide by the regulations put in place by the employers and the organizations. The implementation or punch card system to record attendance is not only applied to the workers. It is also applied to students in Japanese universities. Attendance recording, notably through methods like punch cards, is a key element of Japanese work culture, as highlighted by the informant's mention of the employer assessing attitude, attendance, and submission of work. This practice serves as an example of instilling a strong work ethic and trustworthiness among workers. The use of punch cards specifically ensures the adherence of workers to regulations set by employers and organizations, extending beyond the workplace to include Japanese universities.

Punctuality is emphasized further as the informant notes, "Yes. What time did he arrive this morning? Try using the monitor. If work starts at 8.00, they should already be there by 7.55." This underscores the meticulous monitoring of attendance and the cultural expectation of arriving well before the official start time. The informant also details a structured approach to attendance management, involving briefings and one-on-one discussions, with the issuance of warning letters for those making mistakes. This systematic approach reflects the cultural importance placed on punctuality and commitment in the workplace. In summary, the use of attendance recording methods, such as punch cards, is deeply ingrained in Japanese work culture, symbolizing a commitment to responsibility and trustworthiness. The cultural emphasis on punctuality is evident in the meticulous monitoring of attendance and the structured approach to attendance management.

## 2. Second Wave Look East Policy (LEP 2.0)

LEP 2.0, under the leadership of Najib Razak, began three decades after LEP 1.0. During the 31<sup>st</sup> Conference of JAMECA-MAJECA (Malaysia – Japan Economic Association), Najib Razak announced that Look East Policy needed to be continued with revisions to meet the current needs. The fact that matters is that LEP had impacted the country greatly especially in manufacturing industry although it generally remained the same as per the objectives since it was first rolled out. For LEP 2.0, Najib Razak decided to focus more on aspects with a more opportunities for expansion such as healthcare, education and tourism. During the visit of Japan's Prime Minister, Shinzo Abe to Malaysia on 25 July 2013, Malaysia and Japan reinstated their commitment to strengthen the second wave of LEP (Astro Awani: 2013). LEP 2.0 was no longer about training and education only. It was now looking beyond the foreseeable future with a more dedicated emphasis on economy. These economy-oriented programs were consisted of investment, commerce, green technology, infrastructural development, Islamic finance and halal industry promotion.

Furthermore, Malaysia and Japan would bolster joint efforts in green technology and renewable energy between Malaysian companies and multi-national corporations as well as small and medium enterprises (SMEs). Other areas of interest that would be given special focus were major technical services, institutional support and other high value sectors. These were identified as to have major role in promoting Malaysia as the investment hub, research and development centre as well as commercialization among Malaysian SMEs supported by their Japanese counterparts. Therefore, through the second wave of LEP, Japan offered its commitment to strengthen further the bilateral relations of both countries. In the area of education, big-scale research programs or joint academic program i.e. Malaysia-Japan Institute of Technology (MJIT) was set up. The transfer of Malaysian students to Japan, and vice versa, was to be continued especially in Science & Technology academic programs (Berita Harian: 2013).

Upon Tun Mahathir's return as the seventh Prime Minister in 2018, LEP was intensified and bolstered to match the prevailing needs of the country. For LEP 2.0, Tun Mahathir proposed the opening of a Japanese university in Malaysia as it would help significantly in cutting down the costs of sending Malaysian students to Japan to pursue their studies. In the interview with Tun Mahathir, he said:

"Actually, sending our students to the West is costly too. That is why I propose that a Japanese university to be set up here in Malaysia. It would be run as a proper Japanese university with Japanese language as the medium of instruction. It would be a Japanese university through and through, run the Japanese way, complete with its Japanese culture, but located in Malaysia. There should be the 'tea ceremony' for example. For me, the 'tea ceremony' is a discipline. If it is left to us, we can mix the tea however we want to. But for the Japanese, it is a no go. For example, you need to turn the cup of tea clockwise twice before you sip the tea. It has to be done right – everything to the letter. This is a training in discipline. You see, the cost of going to Japan is expensive. So, we have to run a cost-benefit analysis. Look at the outcome. If the cost far outweighs the outcome, we bring the Japanese university here to Malaysia. This way, we cut the costs. But we would still get the same outcome. If we stop just because of the high cost, that is wrong."

Despite the high costs being one of the hindrances in implementing the policy, it should not be the sole reason to end it. Looking at the results or outcome of the policy, it is only sensible that it be continued. The high cost was not something so serious for the government because a lot of other initiatives and alternatives can still be done in order to bring the cost down. Tun Mahathir's proposal to open a Japanese university in Malaysia was one of such initiatives. Through LEP 2.0, Tun Mahathir empowered the cooperation in educational sector by first studying thoroughly the entire Japanese education system – from the kindergarten up to tertiary education. Tun Mahathir reasoned that the culture and system of values of the Japanese were the main reasons behind the country's remarkable recovery after the WWII.

In ensuring the success of LEP 2.0, the scope of LEP as a policy was broadened and varied through a multitude of new approaches to help create more new job opportunities and investments. These would have to complemented with knowledge sharing and transfer of expertise, which would then facilitate and speed up Malaysia's quick adoption of Industrial Revolution 4.0 (IR 4.0). Three key potential areas identified in LEP 2.0 were halal industry, education and tourism. Halal sector involving halal cooperation signed by Malaysia and Japan had afforded Malaysian companies with the opportunities and assistance to promote halal products and services in Japan. In return, Malaysia needed to provide support, share experience and expertise in halal industry development in food, beverage, services and tourism. Through Industry 4.0, Malaysia hoped that by working together with Japan, it would have created conducive investment eco-system that would further encourage and support a lot of Malaysian companies to be more innovative and to run their business in a more strategic way. Kartini (2017) asserted that in fact Malaysia's cooperation was still ongoing with Japanese companies like SONY, Panasonic, Konica Minolta, Daihatsu, Sharp, Hitachi and Sumitomo, which had all adopted Japan's IR4.0.

#### 3. Malaysia-Japan Relations in LEP2.0

In the span of three decades of the LEP implementation in Malaysia, there had been various forms of relations, cooperation and contribution made by both Malaysia and Japan to and for each other. Throughout LEP, Malaysia had indeed been an immense beneficiary. But, in more ways than one, Japan too had benefitted greatly from LEP. In short, both had been on the receiving end of considerable and sizeable benefits that benefitted both countries immensely. Malaysia-Japan relations, upon the appointment of Tun Mahathir as the prime minister for the second time in 2018, began to be stronger as Tun Mahathir chose to continue with Look East Policy by empowering and invigorating this policy even more. Through the Look East Policy, a host of plans, recommendations and improvements of the implementation were introduced. Tun Mahathir paid a more serious attention to the implementation of LEP 2.0 and this had resulted in stronger bilateral relations between Malaysia and Japan in the new era.

Through LEP 2.0, various cooperation especially in the aspect of economy had been signed by both countries. Cooperation in the aspects that could boost each other's economy was reinforced with Malaysia continuing to look after Japan as the model to develop its economy. The success of Japan in developing the country, especially its economy until today, turned out to be the most important factor for Tun Mahathir to carry on with his brainchild Look East Policy whilst continuing to strengthen bilateral relations of both countries. The adoption of the Japanese work ethic and culture via Look east Policy was also expanded into the education sector by sending Malaysian students to Japan to pursue their studies in Japanese universities. Through LEP 2.0, Tun Mahathir had studied Japanese system of education and concluded that LEP should be expanded to include the educational aspect. Therefore, the government worked to find the opportunity to empower the implementation of this policy through education in LEP 2.0. The study was also made in order to explore the feasibility of adopting Japanese system of education in Malaysia.

Close relations between Malaysia and Japan during the premiership of Tun Mahathir was proven when he made an official visit to Japan in November 2018, roughly six months after he took power as the seventh prime minister. Following this visit, Tun Mahathir declared the continuation of Look East Policy by introducing LEP 2.0. During the visit, Tun Mahathir also held a number of meetings and discussions with a sole aim to foster bilateral relations between the two countries via the empowerment of Look East Policy. Such a close relation with Japan was not confined to education sector only as it also comprised halal industry and tourism industry. Through close relations with Japan cemented by LEP 2.0, this cooperation benefitted not only Malaysia but also Japan, more so with Malaysia's willingness to share its expertise and experience

### 4. Implementation of LEP: Appreciation and Recognition of Japan

continuation of the existing, similar policy which had begun in 1982.

The Look East Policy, with Japan being made as the model and example in the efforts to improve and revitalize the administration and management of Malaysia was a huge recognition for Japan. It made them to be very proud of Malaysia's keenness to mould its progress and success as a country modelled after that of Japan who successfully rebuilt its own country only within two decades after the sheer destruction it suffered during WWII. The shift from the West to the East in terms of picking up the model of administration and management of Malaysia, who used to look up to the West due to historical factor, proved to be a slap on the face for the West right after he assumed the power as the fourth prime minister of Malaysia. Tun Mahathir shared the West's reactions when Malaysia first rolled out LEP in 1981, as below:

in halal development for food, beverage and services industries. After all, LEP 2.0 was none other than a

"The feel a bit disappointed, because they think they are the best model. Honestly speaking, although they used to be strong and were a model for us and we copied many of their systems, but when I see at their workers, they were oppressed so they set up their own unions. Then they make their demands. But when they feel they are stronger, they make even more excessive demands. This corrupt sense is too much that their products can no longer compete with Japanese products or those of other countries. I find them as not the best example. Frankly, we have to look to the East because we see equally successful people there. The West has started to degenerate, hence their dissatisfaction."

The West was frustrated because they thought they were an excellent model. Tun Mahathir asserted that although they used to be superior and was a model for Malaysia, and many of their administrative systems were copied by Malaysia, but he saw the workers' attitude of the West was far from being a good example. They used to be oppressed, so they came together and formed workers union. However, when they thought they were now stronger due to the unions they set up, they began to make excessive and extreme demands. This caused a lot of frictions and problems with and for the employers so much so that their products were no longer able to compete with Japanese products and those of other countries. Tun Mahathir was being blatant when he insisted that such was not going to make a good example for Malaysia. Hence, he began to look at the East because he could see a more successful people there.

### 5. Japan's Economic and Trade Partner

According to Mohd Afendi and Junaidi (2017), Malaysia-Japan bilateral relations began during the era of the first prime minister, Tunku Abdul Rahman. In 1970, Malaysia was one of the trading partners of Japan. Malaysia's export to Japan was RM939 millions or 18 percent of the Malaysia's total exports. On the other hand, Malaysia's import from Japan was RM768 millions, which made up 20 percent of Malaysia's total imports. These figures were the highest exports and imports both countries had recorded in 1970s. This trade relation of both countries had existed long before the Look East policy was implemented officially. The economic relation with Japan had increased steadily with the Japanese investment in Malaysia continued to grow in numbers. Up until the end of June 1981, Japan had joined as many as 267 approved projects (Mohd Afendi & Junaidi, 2017).

From 23<sup>rd</sup> until 29<sup>th</sup> January 1983, Japanese Prime Minister Yasuhiro Nakasone invited Tun Mahathir to visit Japan (Mohd Ikbal, 2015). During the visit, via a press statement, Nakasone welcome Look East Policy initiated by Tun Mahathir. This policy, not only did it appear capable to strengthen the bilateral relations of

both countries especially in economy, it also opened the gateway to cooperation in other sectors such as industry, technical training and academic and technical researches. In terms of trade, Malaysia and Japan had been cooperating to boost trade with mutual benefits for both. For Malaysia, Japan has always been its most important trading partner, apart from being the country with most foreign capital investment in Malaysia. As for Japan, Malaysia is one important trading partner because of its role as Japan's major supplier of raw materials.

### 6. Sharing of Ideas and Expertise

The implementation of Look East Policy can be considered as a success in terms of cooperation between both countries. It also had strengthened the bilateral relations of both. Initially, the implementation of this policy began with a focus and priority on economic and trade aspects of both countries that had mutually benefitted Malaysia and Japan. Furthermore, LEP 2.0 had as well contributed to opening the opportunities for regional countries like Thailand, Singapore, Cambodia and Myanmar to reap the spill-over benefits of good relations between Malaysia and Japan via LEP 2.0. Malaysia had managed to open up opportunities in economy and trade for other countries in Southeast Asia region who also gained benefits from LEP 2.0. As far as industrialization and economy aspects were concerned, although Japan appeared to be favouring Malaysia more in terms of loans and assistance to Malaysia, Japan also stood to gain benefits from the strengthened cooperation between both countries as a result of LEP 2.0.

Furthermore, Malaysia was not the sole beneficiary of idea and expertise sharing from Japan since the latter also benefitted a lot when Malaysia implemented Look East Policy with its idea and expertise sharing. In 2006, during the premiership of Tun Abdullah Badawi, this policy was expanded to include bio-technology development. This new focus allowed Malaysia to now turn its attention to developing food industry, bio-fuel, medicines, herbs and cosmetics. The Japanese expertise in these sectors were as good as their expertise in manufacturing industry and communication/information technology. This had prompted Tun Abdullah Badawi to share Malaysia's expertise in palm oil industry with Japan in order to produce bio-fuel through research and development of palm oil.

With the implementation of LEP 2.0 in 2018, Malaysia singled out halal and tourism industries as one of the areas of trade with the most potential. Malaysia promoted halal industry in the halal sector by inviting cooperation from both countries. As a result, it accorded Malaysia with the role as promoter and supplier of halal products and services. Pursuant to that, Japan provided the opportunity for Malaysian companies to promote and supply halal products and services in Japan as well as international community during World Rugby Tournament in Osaka 2019, during which Japan had the opportunity to learn about halal industry spearheaded by Malaysia. Through this industry halal, Malaysia provided assistance, shared experience and expertise in the development of halal industry not only in food, beverage and services but also in tourism.

## Discussion

## 1. LEP 2.0: The Strengthening of Malaysia-Japan Relations - Now and Beyond

Through LEP 2.0, Malaysia-Japan bilateral relations were further bolstered with the introduction of more cooperation agreements signed by the two countries. LEP 2.0 had given positive impressions and impacts on the good relations the two countries were enjoying. This was especially proven when both had introduced substantial improvements in a number of areas of high priorities identified in LEP 2.0. In more ways than one, it marked a continued Malaysia's cooperation with Japan in the aspects of education and industry as well as improvements on select areas of Malaysia's development priority that met the contemporary development and technological advancements. Still, Malaysia-Japan relations were not at its best level when the fourth prime minister, Tun Abdullah Badawi resigned. During the premiership of Tun Abdullah, Malaysia gave more priorities to other policies as opposed to Look East policy. During the stewardship of Najib Razak as the fifth prime minister, despite the continuation of LEP, Malaysia was more focused on strengthening its relations - especially in economy - with China which was the second biggest economy in the world after the United States of America.

Things took a turn when Tun Mahathir returned as the sixth Prime Minister (for the second time) after Najib Razak stepped down in 2018. With Tun Mahathir now helming the country, LEP 2.0 was back on track. Tun Mahathir took swift actions to reenergize and reinvigorate LEP 2.0 by returning Malaysia-Japan bilateral relations to the level it used to be during his first time in power as the fourth prime minister (1981-2013). The strengthening of key areas and focus in LEP 2.0 was expected to be able to help with the realization of the objectives and aims of Look East Policy in the first place. For example, through LEP 2.0, Japan assisted Malaysia's SMEs to use smart manufacturing. It involved various programs run under this project such as capacity building, industrial standard development ability, technology innovation, commercialization for smart technology as well as series of workshops hosted by SIRIM and The Japanese Chamber of Trade and Industry, Malaysia (JACTIM) (Nasuha Badrul, 2019).

By any measure, LEP 2.0 should be continued and its implementation is still relevant until today. Despite the setbacks and hold-ups that had impeded the policy thus far, there are always solutions, initiatives and alternatives that both countries can agree upon and work together. In any case, setbacks are expected in the implementation of any policy. Therefore, they should never be allowed to stand in the way of LEP 2.0 implementation. The important thing that should be made a priority is the level of success achievable in the implementation of a policy. Malaysia, as a developing country and who is in the process of making progress, needs to make a developed country as an example or as a benchmark to gauge the success it makes in developing the country. Besides, the implementation of the Look East policy after three decades, which had demonstrated Malaysia's success in industry should be taken as a positive indicator in its path towards a highly developed country with a high-income economy. It should also prove a point of the relevance of Japan as the model. The success story of Malaysia in manufacturing industry especially in automobile sector, made possible by Look East policy, should make Malaysia proud considering its status as a small country that makes its own national car.

The changes in attitude and structure in today's Malaysia, be them in jobs both in the public and private sectors, despite the changes taking place not being comprehensive, it still warrants to be seen as a positive change to the policy in achieving its aims and objectives. The changes in attitude, as an example, though it has not been able to affect Malaysians' work culture as a whole, a great number of Malaysians had managed to adopt and practice the Japanese work ethic and culture until today. This can be seen as another positive development in the efforts to change the attitude, culture and paradigms of all Malaysians for the better. Admittedly, Look East policy had not been able to fully realize its aim of infusing the Malaysians as a whole with the work culture and ethic of the Japanese. Yet, there are still rooms for effecting the change. Definitely, it will take a long time to change something that has already been in place and practiced for a long time. This will be difficult and time-consuming indeed. As such, it is only proper that LEP to be continued with timely necessary improvements. The indirect on-going implementation of LEP 2.0, at the moment, can be seen as a good decision taken by the government more so because it remains relevant to be implemented in the long run.

### Conclusion

In essence, LEP was a policy with an 'open-ended' approach. In other words, it had never been officially ended, meaning the implementation continues indirectly until today despite having gone through several government changes. In the early stage, the focus was centred on educational and industrial aspects. The adoption of work ethic and culture by Malaysians was modelled after the Japanese's. LEP 2.0 then shifted its focuses to a number of important fields befitting the current needs of the economy. However, LEP 2.0 was not something new since it carried on the existing policy i.e. by strengthening the present state of bilateral relations of both countries, which had begun officially since Malaysia's independence in 1957. Looking at the indirect continuation of LEP implementation to the present day, and its positive impacts to Malaysia's development and excellent bilateral relations of both countries thus far, it is only appropriate that it be considered as relevant and should be continued well into the future. Of course, not every single Malaysian is able to adopt the Japanese work ethics and culture. Still, there are a substantial number of them, specifically those with direct involvement in LEP 2.0 who had been able to do so. Looking from the economic perspective,

this policy stands to affect Malaysia in significant ways mainly in industry and economy more so via the availability of loans, aid and cooperation from Japan.

Having said that, this policy should not be sidelined even though it had been implemented for more than three decades. It is pertinent to note that not only had LEP 2.0 contributed to the expansion of Malaysian economy, its positive impacts had also created massive positive spill-overs in many other aspects like education and tourism. Of course, there had been problems and obstacles in implementing the policy. Yet, they should not be treated as a major setback especially if one considers the fact that its positive impacts hitherto had far outweighed the negative ones. Hence, the stance of the current government to indirectly continue with this policy by further empowering and bolstering cooperation and relations of both countries via LEP 2.0 is indeed a positive step in the right direction towards developing and advancing the country further.

*Acknowledgement:* This research was supported financially by Fiscal Research Grant 2012: Sumitomo Foundation Reg. No: 118426 dan Kod RE 2012-003 A Study of 30 years of the Implementation of the Look East Policy in Malaysia.

Informed Consent Statement: Informed consent was obtained from all subjects involved in the study.

Conflicts of Interest: The authors declare no conflict of interest.

#### References

- Ahmad Sohaimi. (2013). Hubungan Malaysia jepun: Diplomasi dan pendidikan. Penerbit Universiti Malaya.
- Astro Awani. (2013, July 25). Malaysia-Jepun beri komitmen untuk gelombang kedua dasar pandang ke timur. http://www.astroawani.com.
- Astro Awani. (2018, October 16). 2.2 juta warga asing bekerja di Malaysia tahun lepas. Astro Awani. http://www.astroawani.com
- Azmi Al' Alwi. (2010). Dasar pandang ke timur. In. Yusuf Ismail (Eds.). Dasar-dasar utama Kerajaan Malaysia, (pp.102-118). AS Nordeen.
- Berita Harian Online. (2013, 15 June). Gelombang kedua dasar pandang ke timur tumpu kepada teknologi tinggi. *Berita Harian*. http://www.bharian.com.my.
- Hanim Ismail. (2022). Impak gelombang kedua dasar pandang ke timur terhadap perubahan struktur dan budaya di Malaysia dan rantau Asia Tenggara. *Journal of Social Science and Humanities AKADEMIKA*, 92(1), 195-207. https://doi.org/10.17576/akad-2022-9201-15
- Hanim Ismail. (2021). Dasar pandang ke timur: perubahan struktur dan budaya. Penerbit Universiti Kebangsaan Malaysia.
- Harian Metro Online. (2020, October 4). Jepun mula pelbagaikan pelaburan. *Harian Metro*. www.hmetro.com.my
- Jabatan Perangkaan Malaysia. (2021, Jun 17). *Pelaburan langsung asing (FDI) Malaysia*. https://www.dosm.gov.my/v1\_/
- Kartini Aboo Talib (pnyt). (2017a). *Dasar pandang ke timur: pencapaian, adaptasi, dan cabaran*. Penerbit Universiti Kebangsaan Malaysia.
- Kartini Aboo Talib. (2017b). Dasar pandang ke timur: impak industri dan pembangunan di Malaysia. In Kartini Aboo Talib (Ed). 2017. *Dasar pandang ke timur: pencapaian, adaptasi, dan cabaran*. Penerbit Universiti Kebangsaan Malaysia.
- Kartini Aboo Talib, Nidzam Sulaiman & Suhana Saad. (2017). Assessing the look east policy: moving beyond work culture and ethics. *Asian Social Science* 9(17). http://dx.doi.org/10.5539/ass.v9n17p111.
- Kartini Aboo Talib. (2012). Policy implementation by the new street level bureaucrats in non-profit organizations: Overcoming the dilemma. *Pertanika, J. Soc. Sci. & Hum, 20*(2), 333-352.

- Kementerian Penerangan Malaysia. (2014). *Dasar pandang ke timur*. http://pmr.pen erangan.gov.my/indx.php/maklumat-kenegaraan/240 dasarpandangkeTimur.html
- Mohd Afendi & Junaidi. (2017). Meninjau kembali dasar pandang ke timur Mahathir: Penelitian aspek perlaksanaan dan implikasi. *Malaysian Journal of Society and Space*, 12(9) 79-91.
- Mohd Ikbal Mohd Huda. (2018). Yen loans to Malaysia: impact on five-year plans from 1969 to 2010. International Journal of East Asian Studies, 2(1 2012/2013), 17-30. https://doi.org/10.2245 2/IJEAS.vol2no1.3
- Mohd Ikbal Mohd Huda. (2015). Bantuan pembangunan rasmi jepun ke Malaysia 1966 2010: Impak ke atas pembangunan sosioekonomi Malaysia. [PhD Thesis. Fakulti Sastera dan Sains Sosial, Universiti Malaya].
- Mohd Ikbal Mohd Huda. (2010, 15 August). Jepun bantu Malaysia buka laluan merintis kemajuan. *Berita harian*. http://www.bharian.com.
- Nasuha Badrul. (2019, 2 Mei). Kerjasama Malaysia-Jepun bantu PKS guna pengilangan pintar. *Berita Harian*. http://www.bharian.com
- Othman Lebar. (2007). Penyelidikan kualitatif: pengenalan kepada teori dan model. Tanjong Penerbit Universiti Sultan Idris.
- Taylor, S. J., & Bogdan, R. (1984). *Introduction to qualitative research methods: The search for meanings*. A Wiley Interscience Publication.
- Uqbah Iqbal. (2017). Sejarah pemikiran pandang ke timur. kepentingan Jepun dalam pembangunan sosioekonomi Malaysia (1960-1980). Penerbit Universiti Kebangsaan Malaysia.
- Uqbah Iqbal & Nordin Hussin. (2017). Sejarah pemikiran pandang ke timur pada era Tun Hussein Onn. *Jurnal Sejarah*. https://doi.org/10.22452/sejarah.vol23no2.4
- Uqbah Iqbal. (2015). Sejarah pemikiran dasar pandang ke timur: Kepentingan Jepun dalam Pembangunan sosio-ekonomi Malaysia (1906-1980). [PhD Thesis Jabatan Pengajian Sejarah, Universiti Kebangsaan Malaysia].