

**KEYNOTE ADDRESS**  
**BY YANG AMAT BERBAHAGIA TUN DR. MAHATHIR BIN MOHAMAD**  
**FORMER PRIME MINISTER OF MALAYSIA**

**AT THE (WEBINAR) ISIS FORUM - THE 40<sup>TH</sup> ANNIVERSARY OF THE LOOK EAST  
POLICY: A CONVERSATION WITH TUN DR MAHATHIR MOHAMAD**

**ON 18<sup>th</sup> MAY 2022 (WEDNESDAY) AT 10.00 AM**

1. It is indeed a pleasure being able to participate in this event commemorating the 40<sup>th</sup> anniversary of the Look East Policy.
2. When I first introduced the policy in February 1982 at the Fifth Joint Annual Conference of the Malaysia-Japan Economic Association, also known as MAJECA-JAMECA, little did I expect that I would be present to participate in its anniversary four decades later.
3. It had indeed been a long journey with numerous trials and tribulations that was spiced by opinions from both critics and advocates.
4. The policy had proven to be a success and it should continue to be one of the foundations in our development strategies and programmes.
5. I was always asked on why did I choose to “look East” and not West, a practice perceived to be the convention of Malaysia and my predecessors post-independent.
6. By any measure, it would have been easier to look West given the colonial legacy that was pervasive in Malaysia, be it our administration, education, economic endeavours and social conditioning.
7. Our professionals and top administrators were Western-trained and educated making everything West a matter of familiarity if not their ethos.
8. As such, introducing the Look East Policy went against the grain and the accepted norms.
9. However, much as looking West would have been a natural progression for me as was with my predecessors, I was however very much aware that the West was then sliding.
10. Their industries were not as competitive due to work ethics and labour practices. They seem to suffer from a derailment from their progress making them somewhat unappealing as model nations for an ambitious third world nation.
11. It was however different with the East, with Japan. It was an exciting period as we had then witnessed how Japan was like the proverbial rising phoenix.
12. It was literally rising from the ashes of World War Two, rebuilding from utter devastation and an economy that had been crippled and crumbled.
13. Given its ability to rise from such destruction, surely, Malaysia, which was not in such a tragic condition and in fact blessed with numerous natural resources would be able to emulate such success.
14. All Malaysia needed was a policy shift and adopt a nation or nations that could be used as models in charting its progress and economic pursuits.

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15. Apart from Japan's impressive growth and prowess in its development programmes and industrialisation, I was also taken up by its work ethics and national pride.
16. To my mind, brilliant policies and effective programmes can only be fully realised and their objectives achieved if the executioners and support system have the right attitude and sense of responsibility.
17. Apart from that, the sense of responsibility towards the organisation the Japanese serve is evident and reflected in their selflessness when putting efforts to ensure that their organisations prevail even at the expense of their own well-being.
18. And most of all is the pride in their work. To them, failure to deliver and perform is something to be deeply ashamed off.
19. That had made them perform well in their tasks as well as made them strive for perfection. With such attitude in everything they manufactured and produced, Japan is then associated with efficiency and quality and it was only a matter of time they overtook the West.
20. We decided that the best way to learn and emulate the Japanese work ethic is through education, making education the heart of the Look East Policy.
21. With the help of the Japanese government, we initiated programmes to send students and government officials to Japan for further studies and training.
22. When I left the office in 2003, there were more than 10,000 Malaysians sent to Japan under the Look East Policy programme. To date, the number has grown to over 26,000 Malaysians.
23. I am proud that this concept has been a success. Many of Malaysians sent to Japan have done tremendously well upon returning home.
24. Yet the number of Malaysians sent to Japan today is a far cry from what it used to be. I believe we can and should do better.
25. Therefore, I hope there would be a more comprehensive approach towards education under the Look East Policy and Malaysia-Japan relations as a whole. We should look at the Japanese education system starting at the pre-school level to university.
26. In the mid-1980s, in an effort to address the US ballooning trade deficits against Japan and Germany, an agreement was reached among G-5 countries known as the Plaza Accord in 1985.
27. In essence, the agreement led to the appreciation of the Japanese yen, the *Endaka* as it is known in Japan.
28. The appreciation of the yen made it more expensive for Japanese export-oriented manufacturers to produce goods domestically, and many were forced to relocate operations overseas.
29. Malaysia saw the benefits of hosting the Japanese multinational corporations (MNCs), especially in terms of employment creation and we sought to capture the investment opportunities by highlighting the Look East Policy as part of investment promotion missions to Japan.
30. Many Japanese companies including Matsushita, Mitsui, Toshiba, Mitsubishi, AEON and Kao have either relocated or expanded their production base in Malaysia.

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31. From 1986 to 1990, Malaysia saw a massive influx in Japanese FDI as well as double digit growth in bilateral trade, pushing Japan to surpass the US as Malaysia's top economic partner.
32. Today, there are close to 1,500 Japanese companies operating in Malaysia, employing over 400,000 Malaysians. The Look East Policy has been instrumental to the industrialisation effort of Malaysia and contributed greatly towards the economic development of Malaysia as a whole.
33. Ten years ago, when the 30<sup>th</sup> anniversary of Look East Policy was approaching, news emerged on reassessing and upgrading the Look East Policy. The following year, leaders from both countries established a framework for the Look East Policy 2.0, and subsequently a Bilateral Coordinating Committee (BCC) was formed.
34. When I became Prime Minister for the second time, one of my key agenda was to ensure the revitalisation of the Look East Policy 2.0 (LEP 2.0). Former Prime Minister Abe and I agreed that the Framework of Look East Policy 2.0 needed to widen and deepen the scope and areas of cooperation, to incorporate new trends in bilateral cooperation to remain relevant.
35. We had agreed to incorporate the elements of the Fourth Industrial Revolution (4IR) in new cooperative projects including in agrotechnology, automobile industry, disaster risk reduction and the environment. The Look East Policy 2.0 programme will include a special preparatory programme, the Look East Policy 2.0 training programme, and science and technology research partnership.
36. As we look towards the future it would be remiss of us not to acknowledge the global pandemic that has ravaged lives and livelihood; that has set back years of progress and development. And the Look East Policy can be a convenient platform to chart new possibilities and opportunities in addressing these setbacks.
37. Before I end my speech, I would like to thank ISIS Malaysia and The Embassy of Japan in Kuala Lumpur for giving me this opportunity to speak on the Look East Policy.
38. And I truly hope that the 40<sup>th</sup> Anniversary would provide a new momentum to the Look East Policy and Malaysia-Japan relations as a whole.

Thank you.