

**A quiet and ever reliable partnership**  
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Japanese Prime Minister Shinzo Abe's visit to Malaysia is seen as cementing further the already cordial and enduring relations existing between the two countries, writes TOMOHARU WASHIO

JAPANESE Prime Minister Shinzo Abe begins a two-day visit to Malaysia today with an economic mission of 200 corporate leaders jointly organised by Nippon Keidanren and the Japan Chamber of Commerce and Industry.

The visit is to mark the 50th anniversary of Malaysia's establishment of diplomatic relations with Japan, which the country effected at the same time it won independence from Britain, in August 1957.

This year also marks the 25th anniversary of Malaysia's announcement of its Look East policy. Abe's visit to Malaysia represents the Japanese people's desire to further the friendly relationship between the two countries.

In the past half-century, Malaysia and Japan have steadily worked together to promote political, economic and social co-operation. They have always worked as partners, be it to secure navigational safety in the Straits of Malacca, to integrate Asean or to strengthen regional co-operation in East Asia.

In the 1960s, when Malaysia announced the First Malaysia Plan, Japan immediately responded by offering a loan of 18 billion yen (RM547million). In the 1970s, when Malaysia introduced free trade zones to promote exports, Japanese companies were among the first to use them.

When Malaysia sought foreign investment in electrical and electronics areas, Japanese companies were among the first to respond.

In the 1980s, when the value of the yen soared even as Malaysia worked to attract more investment from abroad, Japanese investment in this country quickly expanded, laying the foundations for the large number of Japanese firms operating in Malaysia today, which totals 1,500.

In the second half of the 1990s, a serious currency crisis struck East Asia. There was a great deal of turmoil, but Malaysia was able to move out of it with relatively little damage. At the time, Japan offered Malaysia special yen loans and brought in loan-guarantee mechanisms backed up by trade insurance to support the emergency measures the government adopted.

Grassroots relations between the Malaysian and Japanese peoples have remained no less strong. In particular, the Look East policy that Malaysia announced in 1981 as a way of promoting its industrialisation elicited an enthusiastic response from Japan. One important result has been a large number of Malaysian trainees and interns who studied in Japan.

Altogether, these people so far are estimated to total 11,000. A large, increasing body of people who are familiar with each other's country is indispensable to a firmer bilateral

relationship.

I have recently heard that a great many Malaysians take part in the Bon Odori Festival that Japanese communities in Malaysia hold once a year, in mid-summer, to welcome and entertain the spirits of the departed. In Kuala Lumpur, for example, I am told that 40,000 to 50,000 people, both Japanese and Malaysians, enjoy dance and other festivities.

It is enchanting to know that this quintessentially Japanese festival has been held in Malaysia for 31 consecutive years, without interruption.

There is also the matter of palm oil. It is one of Malaysia's important export items to Japan, while for Japan, practically 100 per cent of palm oil comes from Malaysia.

What's interesting, and I'm sure many Malaysian people will be delighted to learn, is that much of this palm oil is used in cup ramen, a most common food in daily Japanese life. The culmination of these political, economic and social interactions between the two countries was the signing, in July last year, of Malaysia's first economic partnership agreement (EPA).

This came as no surprise to those who knew our close bilateral relationship all along.

An EPA goes beyond a free trade agreement (FTA) in coverage. This is as it should be. Continuing globalisation means increasing exposure of individual economies to one another, increasing economic integration of a region and the world. Not just goods, investment and services but also people cross borders more frequently, in ever greater numbers, and markets expand and merge, becoming seamless.

The Malaysia-Japan EPA is an attempt to equalise the two economies — through tariff cuts, improvement of business environments, and, if I may add, Japan's aid to Malaysia's supporting industries.

The Japan External Trade Organisation (Jetro) will play an important role in the implementation of this EPA.

Among its many roles is to collect information from Japanese affiliates operating in Malaysia and report the results to relevant Malaysian government agencies so ways of improving the situation may be devised, if that is what is needed. Another important role of Jetro is to promote Malaysian products in Japan.

What must be emphasised is that Jetro's roles, in the larger context of the EPA, perfectly harmonise with Malaysian policies.

Malaysia is now in the midst of the Ninth Malaysia Plan (2006-2010), which aims, among other things, to upgrade industrial structure, to stress higher value-added products and to strengthen corporate competitiveness.

In the overall scheme of the EPA, the economic and industrial co-operation between the two countries forms an indispensable part of Malaysia's drive to achieve its goals.

More recently, we are strengthening our co-operation in developing new energy resources and exploring new energy conservation methods.

For Japan, Malaysia is the gateway to Southeast Asia.

It is a multiethnic society with an important link to the Middle East. We expect our countries to continue to solidify the close relationship that has evolved over the past 50 years.

Abe's visit will be a milestone in that process.

A quiet and ever reliable Malaysia-Japanese partnership will surely last 50 more years..

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