

Third Party Evaluator's Opinion on Higher Education Loan Fund Project

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Relevance

Malaysia Look East Policy (LEP) which was initiated about 20 years ago had contributed tremendously to the development of the country in terms industrial economies and also human resource development. However, it is felt that there is still unexplored and immature avenues that need to be done to achieve the Malaysian Vision 2020 within the available time frame. In any case, Malaysia still need to inherit the knowledge learned from recently developed countries like Japan to equip its people involved to participate to develop the country. Some of the initiatives are to dispatch Malaysia students to study in Japan.

The acquired loan had helped to finance the Malaysian students studying in Japan as well as their preparatory studies before going to Japan. This had also helped the Government to acquire the necessary education to achieve its human resource development target for its VISION 2020. Along with these, Japanese investment and Japanese companies in Malaysia had increased in numbers since mid 1980's and they require Japanese educated staff in most post. It is in these companies that we can find Japanese educated Malaysian students. They are the ones practicing the Japanese work ethics and basic philosophies within the company which are indirectly helping to develop the Malaysian economies. Moreover, most Japanese educated Malaysian students are able to find their places not only in Japanese invested companies but also in local, European/American companies and local universities. This situation differs from the students educated in the west or even the local universities.

The Malaysian Government on the other hand do not strictly tied down these students with contracts to work back with the government. They are there to fill up the required post in Japanese and other S&T companies in Malaysia which the Malaysian Government itself had called upon to invest and establish their company in Malaysia. The loan had not only provide opportunity for the Malaysian students but also had help Japanese and other S&T companies to be able to get Japanese educated Malaysians.

Impact

As of today, more than 3,000 Japanese companies had invested in Malaysia and more than 1000 Japanese graduated Malaysian students¹ (since 1999) are working with them. In the long run, this need to be monitored too to control unemployment as business opportunities and activities expands in the country with the in-coming of advance business activities by Japanese companies. In keeping up with these, Malaysia may need more places in the universities and training institutions as well as work places for hands-on training as needed by the needs of these advance business activities.

The cost of sending students to Japan is expensive and also may be limited by certain policies of the Japanese Government. But these can be overcome if the Japanese Government can help by providing support to Japanese universities to open up overseas campus in Malaysia and thus this can provide more places for studies and training as well as lower operation cost in the long run. The increase of Japanese invested companies and new Japanese oriented companies established by Japan ex-graduates, like Japanese language learning institutes or partner companies with companies in Japan, are some indications for the indirect result of what the loan had helped. Indirectly, it had supported one of the implementations the Look East Policy which had accelerated Malaysia's development as it is today. While providing educational aid to Malaysian

¹ Public Service Department of Malaysia, 2004. They are not limited to HELP graduates.

students, it had indirectly install the need working ethics and philosophies in the local workers as Japanese or foreign investment increased.