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ROLE OF
JAPANESE OFFICIAL DEVELOPMENT
ASSISTANCE IN SOUTHEAST ASIA:
SPECIAL REFERENCE TO MALAYSIA
BY
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ABSTRACT

Japan's Official Development Assistance (ODA) has become the largest in the World. It has been and is one of the largest financial support for Southeast Asia, its major recipient countries. Nevertheless, the role of Japan's ODA has not been studied well. This study aims at evaluating its contribution and problems in various fields in order to analyse its roles in Southeast Asia.

Japan's ODA has occupied considerable share in the development expenditures of Southeast Asia countries, i.e. 11% for Indonesia, 3% for Malaysia, 33% for the Philippines and 9% for Thailand. Japan provides a large scale fund for infrastructure projects with Yen Loan, a concessional loan with longer maturity. The ability to provide stable and large amounts every year can help recipient countries very much in making long term plans. In Malaysia, half the installed capacity of electric power was developed with Japan's ODA, which contributes to the present economic growth. And it has helped human resource development.

However, there are some problems which should be solved such as debt problems caused by Yen appreciation. Japan should collaborate with recipient countries to improve its system so as to become more effective and efficient.

TABLE OF CONTENTS

ACKNOWLEDGMENT	Page (i)
ABSTRACT	(ii)
TABLE OF CONTENTS	(iii)
LIST OF TABLES	(viii)
LIST OF FIGURES	(xi)
LIST OF ABBREVIATIONS	(xiii)
CHAPTER 1 INTRODUCTION	
1.1. Background of the Study	1
1.2. Objectives of the Study	4
1.3. Significance of the Study	4
1.4. Scope of the Study	6
1.5. Literature Review	6
1.6. Research Methodology	10
1.7. Data Sources	11
1.8. Organization of Remaining Chapters	12
CHAPTER 2 CHARACTERISTICS OF JAPAN' S ODA	
2.1. Historical Background and Philosophy	15
2.1.1. Initial Stage	16
2.1.2. Fledgling Stage	17
2.1.3. Geographical Expansion Stage	18
2.1.4. Quantitative Expansion Stage	19
2.1.5. Trade Surplus Recycling Stage	21
2.1.6. World' s Largest Donor Stage	22
2.2. Volume	25
2.3. Quality	28

2.4. Tying Status	31
2.5. Quantitative Study	38
2.6. Conclusion	44

CHAPTER 3 SIGNIFICANCE OF JAPAN'S ODA IN SOUTHEAST ASIA

3.1. Japan's ODA to Southeast Asia	46
3.1.1. Amount of Japan's ODA to Southeast Asia	46
3.1.2. Significance of the Region on Japan's ODA Policy	51
3.2. Japan's ODA to Indonesia	55
3.2.1. Economic Crisis after Sukarno Era	56
3.2.2. Economic Deterioration Caused by Decline of Oil Price	58
3.3. Japan's ODA to the Philippines	61
3.3.1. Transition Period from Marcos Regime to Aquino	61
3.3.2. The Multilateral Assistance Initiative	64
3.4. Japan's ODA to Thailand	66
3.4.1. Front-Line State	66
3.4.2. White Paper for Restructuring of Economic Relations	67
3.5. Japan's ODA to Burma	73
3.5.1. Prolong the Life of "Burmese Way to Socialism"	73
3.5.2. Change of Japan's Policy	76
3.6. Summary of Findings	79

CHAPTER 4 IMPACT OF JAPAN'S ODA

4.1. Post Evaluation Activity of Japanese Government	81
4.2. Effects of Japan's ODA at Individual Project Level	83
4.2.1. The Evaluation by the Ministry of Foreign Affairs	83
4.2.2. Evaluation by OECF	86
4.3. Effects of Japan's ODA at Sector Level	89
4.4. Effects of Japan's ODA at Macro Economic Level	99
4.4.1. Econometric Model of International Development Center Japan (IDCJ) in 1984	100
4.4.2. Economic Model of Chulalongkorn University in 1990	103

4.4.3.	Econometric Model of Mitsui Research Institute in 1991	105
4.4.4.	Econometric Model of IDCJ in 1995	107
4.4.5.	Summary of the Four Models	110

CHAPTER 5 THE DEVELOPMENT STRATEGY OF MALAYSIA AND ROLE OF JAPAN'S ODA

5.1.	Overview	115
5.2.	Transition of Development Strategy Malaysia	120
5.3.	Import-substitution Stage (1958-1967)	121
5.3.1.	Development Policy	121
5.3.2.	Japan's ODA to Malaysia	123
5.3.3.	Role of Japan's ODA	126
5.4.	Export-orientation Stage (1968-1979)	128
5.4.1.	Development Policy	128
5.4.2.	Japan's ODA to Malaysia	130
5.4.3.	Role of Japan's ODA	132
5.5.	Promotion of Heavy Industry Stage (1980-1985)	136
5.5.1.	Development Policy	136
5.5.2.	Japan's ODA to Malaysia	139
5.5.3.	Role of Japan's ODA	143
5.6.	Deregulation Stage (1986-1990)	146
5.6.1.	Development Policy	146
5.6.2.	Japan's ODA to Malaysia	148
5.6.3.	Role of Japan's ODA	151
5.6.4.	Burden Caused by Yen Appreciation	153
5.6.5.	Effect of Alleviation Measure by Japan	156
5.7.	Privatisation Stage (1991--Present)	159
5.7.1.	Development Policy	159
5.7.2.	Japan's ODA to Malaysia	162
5.8.	Conclusion	164
5.8.1.	Policy Oriented ODA	164
5.8.2.	Stable Amount	166
5.8.3.	Continuation	166
5.8.4.	Problems	167

CHAPTER 6 ROLE OF JAPAN'S ODA IN THE POWER SECTOR OF MALAYSIA

6.1.	Energy Policy of Malaysia and Japan's ODA	168
6.1.1.	The First Malaysian Plan (1966-70)	168
6.1.2.	The Second Malaysian Plan (1971-75)	169
6.1.3.	The Third Malaysian Plan (1976-80)	170
6.1.4.	The Fourth Malaysian Plan (1981-85)	172
6.1.5.	The Fifth Malaysian Plan (1986-90)	174
6.1.6.	The Sixth Malaysian Plan (1991-95)	175
6.1.7.	Role of Japan's ODA in Overall Policies	179
6.2.	Direct Effects of Japan's ODA	180
6.2.1.	Impact to Sales Revenue	181
6.2.2.	Technology Transfer Effects	184
6.3.	Indirect Effects of Power Development	187
6.4.	Conclusion	194

CHAPTER 7 ROLE OF JAPAN'S ODA IN HUMAN RESOURCE DEVELOPMENT OF MALAYSIA

7.1.	Human Resource Development Policy	214
7.2.	Look East Policy Programme	217
7.2.1.	History	217
7.2.2.	Technical and Industrial Training Programme	218
7.2.3.	Executive Development Programme	219
7.2.4.	Academic Education Programme and Technical Education	220
7.3.	Academic Education Programme	224
7.3.1.	Japan's Contribution to the Programme	224
7.3.2.	Evaluation of the Programme	226
7.3.3.	Case Study	229
7.3.4.	Contribution of the Programme	231
7.4.	Technical & Industrial Training Programme	234
7.4.1.	Japan's Contribution in the Programme	234
7.4.2.	Evaluation	235
7.5.	Executive Development Programme	238
7.5.1.	Japan's Contribution	238
7.5.2.	Evaluation	239

7.6. Japan's Technical Assistance to Malaysia	240
7.6.1. Type of Technical Assistance	240
7.6.2. Amount	245
7.6.3. Evaluation	246
7.7. Conclusion	247
CHAPTER 8 SUMMARY OF FINDINGS AND LESSONS	
8.1. Summary of Findings	250
8.1.1. Characteristics	250
8.1.2. ODA to Southeast Asia	252
8.1.3. Role of Japan's ODA in Malaysia	254
8.2. Lessons Learnt for Future Effect Operation	256
BIBLIOGRAPHY	261

LIST OF TABLES

	Page
2-1 Distribution of Japan's ODA by Regions	19
2-2 Financial Flows to Developing Countries	25
2-3 ODA by Donor Countries	26
2-4 Japan's ODA by Types	27
2-5 Quality of ODA of Donor Countries	29
2-6 Share of Yen Loan to Total ODA to Southeast Asia	31
2-7 Yen Loan Procurement by Contractors' Nationality	32
2-8 Number and Ratio of JV related Japanese Firms	34
2-9 Number of Japanese Subsidiaries out of Local Firms	35
2-10 Ratio of Japanese Material/Equipment/Engineer under Contract in Malaysia	37
2-11 Multiplier of Valuables and R ² value	40
2-12 Data of Quantitative Analysis	42
3-1 Japan's ODA to Southeast Asia	47
3-2 Japan's ODA to Southeast Asia Countries	48
3-3 Japan's Reparation	52
3-4 Japan's Semi-Reparation	53
3-5 US Pressure to Japan concerning Aid to Southeast Asia	55
3-6 Share of Japan's ODA to Development Budget of Indonesia	57
3-7 Share of Japan's ODA to Development Budget to Indonesia	60
3-8 ODA from Japan and US to the Philippines	64
3-9 Nationality of Consultants under Yen Loan to Thailand	71
3-10 Nationality of Contractors under Yen Loan to Thailand	72
3-11 Japan's ODA and Trade with ASEAN Countries during 1981-85	75

3-12	ODA to Burma by Countries and Agencies	75
4-1	Overall Evaluation by the MOFA	84
4-2	Overall Evaluation by Recipient for OECF Projects in 1994	87
4-3	Contribution of Yen Loan to Major Recipient Countries	91
4-4	Result of Simulation without Japan's ODA	102
4-5	Result of Simulation by Chulalong Korn Model	105
4-6	Result of Simulation without Yen Loan	106
4-7	Result of Simulation without Japan's ODA	108
4-8	Summary of Push Up Effect of Japan's ODA by Four Models	113
5-1	World Bank Loan Guideline in 1989	116
5-2	Status of Malaysia and Japan's Commitment of ODA	117
5-3	Japan's ODA to Malaysia	118
5-4	Role of Japan's ODA in each Malaysian Plan	119
5-5	Project under the First Yen Loan Package	125
5-6	External Commitment during the 1st MP	127
5-7	Number of Enterprises in FTZs as of January 1986	129
5-8	Projects under Yen Loan on the 2nd MP	131
5-9	Share of Japan's ODA in the 2nd MP	133
5-10	Share of Japan's ODA in the 3rd MP	134
5-11	Installed Capacity of Electric Power and Japan's Contribution	136
5-12	Projects List of Yen Loan to Malaysia	142
5-13	Share of Japan's ODA in the 4th MP	144
5-14	Foreign Investment and Source of Countries	148
5-15	Share of Japan's ODA in the 5th MP	152
5-16	Malaysia's External Loan Denominated in Yen	153
5-17	Disbursement of Alleviation Loans by Year	157
5-18	Contribution of Japan's ODA in Each 5 Year Plan	166

6-1	Development Allocation for Energy Programme	170
6-2	Primary Energy Supply by Source	172
6-3	Independent Power Producers in Peninsular Malaysia	176
6-4	Power Development Projects financed by Yen Loan	178
6-5	TNB's Major Generating Stations and Installed Capacity as of September 1995	180
6-6	Electric Power Generation by the Plants under Yen Loan	182
6-7	Contribution of the Plants under Yen Loan to TNB's Revenue	183
6-8	Consumer Price Index	191
6-9	Share of Induced Value Added to GDP	193
6-10	Cash Flow of Project Loan	196
7-1	Number of Participants who visited Japan under the Look East Policy Programme	223
7-2	Scheme of Look East Policy Programme	225
7-3	Present Employment of the Graduates of Look East Policy Programme	228
7-4	Influence of the Japanese Work Ethics	237
7-5	Effectiveness of Training	238
7-6	Effectiveness of Training under Executive Development Programme	240
7-7	Japan's Technical Assistance in 1993	245
7-8	Evaluation of Experts for Progress of Technology Transfer	247
7-9	Communication Problem of Experts	247

LIST OF FIGURES

	Page
2-1 ODA by Countries in 1994	26
2-2 Japan's Bilateral ODA by Regions in 1995	28
2-3 Relationship between ODA and Population	43
2-4 Relationship between ODA and Import	43
4-1 Contribution to Installed Capacity of Power Station in Malaysia	92
4-2 Contribution to Expressway in Malaysia	92
4-3 Contribution to Rail Cars in Malaysia	92
4-4 Contribution to Cargo handling Volume in West Malaysia	92
4-5 Contribution to Filtration Plant in Jakarta	93
4-6 Contribution to Installed Capacity of Power Plant in Indonesia	93
4-7 Contribution to Expressway in Indonesia	93
4-8 Contribution to Railways in Indonesia	93
4-9 Contribution to Communication in Indonesia	94
4-10 Contribution to Junction Network in Jakarta	94
4-11 Contribution to Irrigation in Indonesia	94
4-12 Contribution to Number of Nurses in Zone 7 of Thailand	95
4-13 Contribution to Hospital in Naconsitamarate District in Thailand	95
4-14 Contribution to Filtration Plant in Thailand	95
4-15 Contribution to Installed Capacity of Power in Thailand	95
4-16 Contribution to Village Electrification in Thailand	96
4-17 Contribution to Road in Thailand	96
4-18 Contribution to Diesel Cars of Thai National Railways	96

4-19	Contribution to Handling Volume of Container in Thailand	96
4-20	Contribution to Airport in Thailand	97
4-21	Contribution to Telephone Line in Bangkok	97
4-22	Contribution to Industrial Estate in Thailand	97
4-23	Contribution to Irrigation Facility in Thailand	97
4-24	Push Up Effect to GDP by Japan's ODA	110
5-1	Payment for External Debt	159
7-1	Technical Assistance to Malaysia	241

LIST OF ABBREVIATIONS

ADB	Asia Development Bank
AJDF	ASEAN- Japan Development Fund
AOTS	The Association for Overseas Technical Scholarship
ASEAN	Association of South East Asian Nations
BOT	Build, Operate and Transfer
DAC	Development Assistance Committee
DSR	Debt Services Ratio
E/N	Exchange of Notes
EPA	Economic Planning Agency
EPF	Employees' Providential Fund
EPU	Economic Planning Unit
EROA	Economic rehabilitation in Occupied Area
EXIM BANK	Export-Import Bank of Japan
FDIs	Foreign Direct Investments
FTZs	Free Trade Zones
GARIOA	Government Appropriation for Relief in Occupied Area Fund
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Products
HELP	Higher Education Loan Programme
HICOM	Heavy Industries Corporation in Malaysia
IBRD	International Bank for Reconstruction and Development
ICOR	Incremental Capital Output Ratio
IDCJ	International Development Center of Japan
IFCT	Industrial Finance Corporation of Thailand
IGGI	Inter-Governmental Group on Indonesia

IMF	International Monetary Fund
IPP	Independent Power Producer
IRR	Internal Rate of Return
ISIS	Institute of Strategic and International Studies Malaysia
ITM	Institute of Technology MARA
JACTIM	The Japanese Chamber of Trade & Industry, Malaysia
JETRO	Japan External Trade Organisation
JICA	Japan International Cooperation Agency
JOCV	Japan Overseas Cooperation Volunteers
JV	Joint Venture
KLIAB	Kuala Lumpur International Airport Berhad
LDC	Least Developed Country
LMICs	Lower Middle Income Countries
MAI	Multilateral Assistance Initiative
MIER	Malaysian Institute of Economic Research
MITI	The Ministry of International Trade and Industries
MOF	The Ministry of Finance of Japan
MOFA	The Ministry of Foreign Affairs of Japan
MP	Malaysia Plan
NDP	National Development Policy
NEB	National Electricity Board
NEP	Newly Economic Policy
NGO	Non-Governmental Organisation
ODA	Official Development Assistance
OECD	Organisation for Economic Cooperation and Development
OECF	The Overseas Economic Cooperation Fund
OOF	Other Official Flow

OTCA	Overseas Technical Cooperation Agency of Japan
PAP	Philippines Aid Program
PNG	Papua New Guinea
PSD	Public Services Department
SEB	Sabah Electricity Board
SESCO	Sarawak Electricity Supply Corporation
TNB	Tenaga National Berhad
UM	University of Malaya
UMICs	Upper Middle Income Countries
UNCTAD	United Nations Conference on Trade and Development
YPM	Yayasan Pelajaran MARA