



UUM
Universiti Utara Malaysia



THE PROCEEDINGS OF
THE 9TH
INTERNATIONAL
CONFERENCE ON
INTERNATIONAL STUDIES
(ICIS 2022)

"A New World: Embracing Change and Building Resilience"

Editors:

Wan Nurisma Ayu Wan Ismail Alisha Ismail Siti Darwinda Mohamed Pero
Aminurraasyid Yatiban Mohammad Zaki Ahmad

A New World: Embracing Change and Building Resilience

*Proceedings of the 9th International Conference on
International Studies (ICIS) 2022, 15-16 November 2022,
Sintok, Kedah, Malaysia*

Editors

Wan-Nurisma Ayu Wan-Ismail

Alisha Ismail

Siti Darwinda Mohamed Pero

Mohammad Zaki Ahmad

Aminurrasyid Yatiban

Published by
School of International Studies (SoIS)
Universiti Utara Malaysia
06010 UUM Sintok
Kedah, Malaysia

Tel: +604 928 8451
Fax: +604 928 8470
E-mail: sois@uum.edu.my
Website: <http://sois.uum.edu.my>

© 2022 School of International Studies (SoIS)

ISSN Number: 2976-2901
e-ISSN Number: 2976-2898

All rights are reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted, in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior permission of both the author(s) and SoIS.

The views expressed in this book are entirely that of the author/authors and do not reflect the views of SoIS.

Graphics and layout by Siti Nur Ain Aziz

Recommended Citation:

Wan-Ismail, W-N.A., Ismail, A., Pero, S.D.M., Ahmad, M. Z and Yatiban, A. (Eds.) (2022). A New World: Embracing Change and Building Resilience. *Proceedings of the 9th International Conference on International Studies (ICIS 2022), 15-16 November 2022*. School of International Studies: Sintok

TABLE OF CONTENTS

| | |
|---|------------|
| Message from the Vice Chancellor of Universiti Utara Malaysia | 1 |
| Message from the Dean of School of International Studies (SoIS)..... | 3 |
| Message from the 9th ICIS2022 Director | 5 |
| Preface – About This Publication..... | 7 |
| Keynote Address 1 | 8 |
| Keynote Address 2 | 15 |
| | |
| PART I: ECONOMIC DEVELOPMENT..... | 19 |
| ANALISA BIBLIOMETRIK SUBSIDI PERIKANAN..... | 20 |
| BAJO FISHERMAN NEGOTIATION STRATEGY DEALING WITH LOCAL CAPITALISTS TO ACHIEVE SOCIAL BALANCE..... | 28 |
| | |
| PART II: INTERNATIONAL BUSINESS & CONSUMER BEHAVIOR..... | 44 |
| FACTORS INFLUENCING THE REPURCHASE INTENTION OF ONLINE COACH TICKETS IN MALAYSIA | 45 |
| THE INFLUENCE OF MASCULINE VS FEMININE ON CONSUMPTION BEHAVIOUR | 49 |
| EXPLORING THE ONLINE SHOPPING BEHAVIOR IN PAKISTAN: A LITERATURE REVIEW | 54 |
| EFFECT OF ETHNIC-BASED BOYCOTT CAMPAIGN ON BOYCOTT INTENTION: THE RELEVANCE OF CONSUMER ANIMOSITY AND SELF-ENHANCEMENT | 73 |
| BUY OR NOT TO BUY: UNDERSTANDING THE CONSUMER PURCHASING BEHAVIOR ON COSMETIC AND PERSONAL CARE PRODUCTS..... | 78 |
| VIRAL PRODUCT IN SOCIAL MEDIA, DOES COUNTRY OF ORIGIN MODERATES THE PURCHASE BEHAVIOR | 83 |
| HALAL LOGISTICS AWARENESS AMONG MUSLIM CONSUMERS IN THE NORTHERN REGION OF MALAYSIA | 88 |
| | |
| PART III: NATIONAL SECURITY | 107 |
| ENVIRONMENTAL SECURITY AND SOCIAL PROBLEMS IN SOUTHEAST ASIA..... | 108 |
| CYBERCRIMES AS THREAT TO E-COMMERCE TRANSACTIONS IN NIGERIA: AN APPRAISAL OF THE RELEVANT PROVISIONS OF THE CYBERCRIME ACT 2015 | 124 |

| | |
|--|----------------|
| PART IV: MARITIME STUDIES..... | 137 |
| AUKUS AND ITS IMPLICATIONS ON PEACE AND SECURITY IN THE SOUTH CHINA SEA | 138 |
| PART V: GLOBAL CORPORATION & SME..... | 146 |
| CASE STUDY OF DR AISHAH SOLUTION PENETRATING FOREIGN MARKETS IN HALAL HEALTHY FOOD | 147 |
| SERVICE QUALITY AND BUSINESS PERFORMANCE: AN ONLINE SELLER PERSPECTIVE | 150 |
| SMALL ONLINE BUSINESSES BEST ADVERTISING PLATFORM: OUT-OF-HOME ADVERTISING (OOH) | 154 |
| A CASE STUDY ON THE CEO'S ROLE IN PROTON'S TRANSFORMATION | 158 |
| PART VI: FOREIGN POLICY, CULTURE & HUMANITIES | 164 |
| REVISITING THE CONCEPT AND PRACTICE OF MIDDLEPOWERMANSHIP IN MALAYSIAN FOREIGN POLICY ACTIVISM IN THE POST PANDEMIC ERA | 165 |
| STRATEGIC PARTNERSHIP; AN EVALUATION OF CHINA-MALAYSIA RELATIONS..... | 173 |
| PART VII: INTERNATIONAL RELATIONS & DIPLOMACY..... | 183 |
| THE UN SECURITY COUNCIL'S VETO POWER: REFLECTIONS ON RUSSIA'S INVASION OF UKRAINE IN 2022..... | 184 |
| THE ROHINGYA CRISIS: THE LIMITS OF THE ASEAN WAY | 192 |
| ASEAN AND POST COVID RECOVERY: WHAT'S NEXT?..... | 198 |
| STATUS SULU: SATU TINJAUAN DARI SUDUT UNDANG-UNDANG ANTARABANGSA | 205 |
| CHALLENGES TO INTERNALLY DISPLACED PERSONS (IDPS): CLIMATE CHANGES AS A CHALLENGE TO INTERNALLY DISPLACED PERSONS (IDPS) IN CAMPS IN IRAQ..... | 210 |
| PART VIII: INTERNATIONAL BUSINESS ENVIRONMENT & OPERATION..... | 218 |
| THE TRANSFORMATIONAL LEADERSHIP ON HUMAN RESOURCE PERFORMANCE: THE CASE OF UAE..... | 219 |
| EXPORT CHALLENGES TO CHINA: A STUDY OF THE KING OF FRUITS IN MALAYSIA | 229 |
| AN ANALYSIS OF CHINA'S OUTWARD FOREIGN DIRECT INVESTMENT LOCATION ENVIRONMENT IN ASEAN FROM THE PERSPECTIVE OF THE BELT AND ROAD | 236 |
| THE IMPACT OF KNOWLEDGE TYPE AND STRATEGIC ORIENTATION ON NEW-TO-THE WORLD PRODUCT DEVELOPMENT AND PERFORMANCE | 248 |

PART IX: SOCIAL STUDIES/STRATEGIC STUDIES..... 237
THE TRANSFORMATION OF MALAYSIA'S DEFENSE POLICY SINCE INDEPENDENCE UNTIL TUN
MAHATHIR'S ERA (1957-2003).....238
STRUCTURE, ACTOR AND CHRONOLOGY OF THE PEACE PROCESS BETWEEN PALESTINE-ISRAEL
.....248

Message from the Vice Chancellor of Universiti Utara Malaysia

Bismillahirrahmanirrahim.

Assalamualaikum Warahmatullahi Wabarakatuh and Greetings.



First and foremost, I would like to welcome you to the 9th International Conference on International Studies (ICIS) 2022. This biennial event has been a unique platform and opportunity for all of us to gather, form, and exchange ideas through which future collaboration and networking may be forged. It is also a forum through which the UUM's School of International Studies can further enhance and refine its excellent scholarly tradition.

For this 9th ICIS, the chosen theme is *“A New World: Embracing Change and Building Resilience”* an apt reflection which encapsulates the scenario we are facing today, and how we can choose to march forward and onward. In a way, the theme may also be viewed as a rephrase of Darwin's notion of "survival of the fittest," in which adaptation to the environment is the key to survival. Thus

survive, nay thrive (and prosper) we must, because life goes on anyway.

The world is still recovering from the past year's pandemic. Nation-states are still struggling in its aftermath, rebuilding their socio-economic fabric which has been greatly disrupted by the movement restrictions in the earlier parts of the pandemic years, and today, the issues of supply and labour shortages. There are also constant and pressing urges for the global community to address the issue of climate change. These, together with other multiple global issues that foresee uncertainties are akin to the sword of Damocles dangling above our heads. An imminent peril awaits us all should the situation go south.

The pandemic years have forced us to learn to adapt to the new working environment. Where remote working was initially dismissed as impractical and unfeasible, it is today an option in certain sectors and industries, a way for the employer to reduce its overhead cost, and for the employee, extra time spared from the commute. Airbnb for example has fully embraced the remote working culture as its CEO (and co-founder) believes that the most talented people are not necessarily in close proximity anymore. For them, this hybrid work plan which was designed alongside the remote-work model has enabled them to hire and retain the best talents within their ranks.

Certainly, this setup may not be applicable in all sectors and industries. Manufacturing which relies on physical human presence will either have to fully automate their production lines with robots and computers at the cost of unemployment. As for us in academia, the pandemic years have resulted in a scenario in which not only do we have to recalibrate our teaching method to be suitable for the remote learning process, but also as scholars we have to reconfigure our data collection

methods when travelling is not feasible. Proximity and the human element in teaching and knowledge sharing may still be the most optimal arrangement for the education sector at the moment. But there may be a time when even the education sector will have to rethink and reform its approach.

It is often said that the only certainty in life is death and taxes. Living in this world of uncertainty requires us to always be vigilant and prepared. Critics may argue that there is no need for careful preparation if the harm is minimal or unlikely, but therein lies the paradox. The paradox of preparedness. That whatever harm reduction or limitation maybe it is due to the preparation and foresight made beforehand. And we as scholars are duty-bound to provide our opinions and insights in preparing society for what may be in our ways, and how best to deal with it for our common prosperity.

Therefore, we are here today. To partake in the exchange of ideas, deliberate it among us, learn from each other and share our knowledge with the general public. That's our purpose, our *raison d'être* as learned scholars, and experts in our field. On a final note, let us strive to make our nations stronger than before, and our world a better place for all.

I wish you all well in your deliberations.

Thank you.

Wassalamu'alaikum warahmatullahi wabarakatuh.

PROF. DR. HAIM HILMAN ABDULLAH

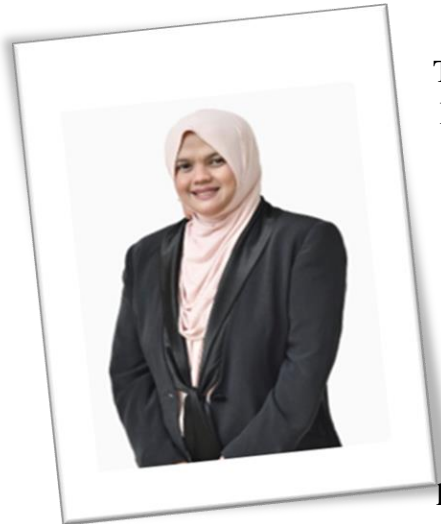
Vice-Chancellor

Universiti Utara Malaysia (UUM)

Message from the Dean of School of International Studies (SoIS), Universiti Utara Malaysia

Bismillahirrahmanirrahim

Assalamu'alaikum and Greetings.



The School of International Studies (SoIS), Universiti Utara Malaysia (UUM), would like to welcome everyone to ICIS2022. This is our 9th edition of ICIS and this year we are organizing it with our co-organizers which are Universitas Trisakti (USAKTI) and the Ghazali Shafie Graduate School of Government (GSGSG), UUM.

ICIS has been our flagship international biennial conference since 2004. It has been a platform to gather international scholars, professionals, students, and enthusiasts to share their latest research and views on a broad spectrum of International Studies. This year, due to the aftermath of Covid19 pandemic, we opted to have it fully online and are proud to inform that 76 presenters will be taking part, alongside with the keynote address, a Business Forum and a Workshop. This will provide an avenue for everyone to build up their networking and be abreast of current international issues.

The theme of this year's conference, 'A New World: Embracing Change and Building Resilience', reflects the scenario of the contemporary global political economy that competition between countries in a complex structure has led to changes in the dynamics of certain events. Questions on how to ensure that the global political-economic system can work perfectly to achieve global geopolitical, geostrategic, and geo-economic stability? Could the current global political-economic system that tends to be exploitative transform towards a more collaborative and inclusive direction? How can the global community and state actors contribute to creating sustainable perpetual peace? I hope this conference would address those issues, and will at least offer some explanations, discussions, and possible solutions to these issues.

I would like to take this opportunity to thank our co-organizers cum our major sponsors above for their support and assistance in materialising this year's conference.

My sincere appreciation to the main organizing committee from SoIS, led by Dr. Alisha Ismail and her relentless team members to make this 9th edition ICIS takes place this year despite all the

challenges and obstacles that they successfully endured. Recognition is also extended to the Corp Comm UUM Unit, the UUMIT and all that have supported this conference.

My special thanks go to the Yang Berusaha Prof. Dr. Haim Hilman Abdullah, our Vice Chancellor for his attention to this conference, and the keynote speaker whose participation will no doubt contribute immensely to the success of this conference.

Last but not least, thank you to all presenters and participants for their new and continuous support for ICIS. I hope everyone will get valuable information and knowledge that will be translated into firm suggestions and actions for the benefit and detriment of all. Have a fruitful conference!

ASSOC. PROF. DR. NAZARIAH OSMAN

Dean

School of International Studies (SoIS)

Universiti Utara Malaysia

Message from the 9th ICIS 2022 Director of Universiti Utara Malaysia



On behalf of the organiser, the School of International Studies (SoIS) and the co-organisers, the Ghazali Shafie Graduate School of Government (GSGSG) and the Fakultas Hukum, Universitas Trisakti would like to greet all the delegates to our 9th International Conference on International Studies (ICIS) 2022.

If you could recall, as of December 2019, the unprecedented crisis of the novel human coronavirus disease COVID-19 has shocked the world and it is something that we never experienced before. COVID-19 has become the 5th documented pandemic since the 1918 flu pandemic. COVID-19 and the imposing of Movement Control Orders (MCOs) or lockdowns of countries have affected many industries across the globe such as global health, global transportation, global business and many more. Many businesses in many sectors have to come up with a variety of strategies to survive during the unprecedented crisis. Two years of struggling during the pandemic and the endemic phase have shown many results for businesses. Some had to resize the business/ unit, some had to reshape the business, some had to change the business model, and some have become stronger but many of them perished especially Small and Medium-Sized Enterprises (SMEs).

The pandemic has thought us to accept the change, embrace the change and start building business resilience to be more sustainable and successful in the future regardless of the uncertainty of the world. How to accept, embrace and build resilience before, during and post-pandemic is what we are looking forward to discussing with many prominent scholars as well as practitioners from all over the world. Thus, the 9th ICIS with the theme ***A New World: Embracing Change and Building Resilience*** is the right platform for us to share and exchange knowledge through new findings and experiences in assisting not only businesses but also the other sectors that are severely affected by the crisis.

To make the conference more interactive and attractive, for the very first time we have brought a new slot known as Business Forum. This business forum involved two important panellists from two continents to discuss and provide two different perspectives on their roles in assisting and facilitating the SMEs to sustain and survive through a series of marketing activities and providing different promoting events for the SMEs to penetrate foreign markets as well as roles of innovations that able to help these businesses to sustain and succeed. In addition, two series of workshops are provided (viz. *Engaging with Your Literature: How is ATLAS.ti able to help?* and

Research Funding and Grants Guide: Where to find and how to secure?) with the hope that the delegates would benefit from those workshops in many ways.

Finally, we are hoping that this 9th ICIS would bring an enjoyable moment through sharing and exchanging knowledge and experiences with one another. All the best to the delegates and we wish to see you in our next ICIS which is expected to be held in 2024.

DR. ALISHA ISMAIL
9th ICIS 2022 Director
Conference Organizing Committee

Preface – About This Publication

This publication contains selected papers presented during the 9th International Conference on International Studies (ICIS 2020) that was held virtually from 15th to 16th November 2022. The conference was organized by the School of International Studies (SoIS), Universiti Utara Malaysia (UUM), and in partnership with Universitas Trisakti Indonesia and Ghazali Shafie Graduate School of Government (GSGSG). The objective of ICIS 2022 is to provide a timely and safe avenue for a diverse, multi-disciplinary group of academicians, policymakers, business managers, NGOs, and postgraduate students to share and deliberate their ideas, experiences and viewpoints on the topic related to international studies and international business perspective. Appropriately, these proceedings have incorporated those ideas, experiences, and viewpoints.

“A New World: Embracing Change and Building Resilience” was chosen as the main theme of the conference. The theme is timely and coincided with the recent outbreak of COVID-19 that has swept across the world with such ferocity and with profound impacts on global communities. Within a short time, the pandemic has evolved into a disruptive force affecting multiple spheres and sectors across the globe, ranging from health, security, transportation, health, tourism and manufacturing to trading. Indeed, the pandemic had inflicted unprecedented disruptions to many national economies and societies worldwide. Swift decisions and measures – some of which even without a guaranteed desired outcome – had to be taken by the government either to counter and reduce the impacts of the pandemic on the affected sectors or to curb the rapid transmission of the pandemic.

Consistent with the theme of the Conference, the proceedings papers contained in this publication are divided and grouped into nine multidisciplinary sub-themes, each with its unique wealth of information, views and analysis that would be beneficial to the readers. It is envisaged that the publication of these proceedings would serve as a platform for the exchange of ideas on contemporary issues, specifically concerning the main theme of the Conference. It is hoped that the proceedings not only will draw public attention to the critical issues faced by global communities in these challenging times but also advance the discourse and enrich the literature on these issues.

Editorial Team

10 December 2022

Keynote Address 1

YBhg. Tan Sri Dato' Seri Dr. Syed Hamid Albar

*Chairman, World Islamic Economic Forum Foundation (WIEF) &
Chancellor, Asia e University, Malaysia (AeU)*

Distinguished guests, speakers, participants, ladies and gentlemen

To begin with

It is a great honor for me to deliver this keynote speech in front of very learned speakers and participants at “the 9th international conference on international studies (icis 2022)”

I do hope that this conference will become an avenue for intellectual exchanges and a conduit through which future collaboration and networking can take place. More importantly, I hope that this conference will put the uum brand name on the map of international academic discourse. It would be amiss if I do not also congratulate the organising committee for their effort in setting up this useful conference.

Ladies and gentlemen,

The theme of this biennial conference is “**A New World: Embracing Change and Building Resilience**” which, I believe, aptly reflects the dynamism of contemporary global issues that has produced more dialectic uncertainties and contributed to the global political and economic instabilities in the current time.

All nation-states in the world are still struggling and expecting for solutions to ameliorate and alleviate the dire state of economic imbalance and social welfare of their people impacted by the covid-19 pandemic.

In fact, the ongoing geopolitical crisis between russia and ukraine has also exacerbated the global political-economic conditions, where it has impacted to the socio-economic activities of the global community.

Thus, I would argue, all of us are affected under the current global health issues and geopolitical competition among major powers. It requires not only for the nation-states to respond and to react with a myriad of foreign policy settings, but also, all of us, as part of the responsible global society, to initiate necessary pro-active roles in ensuring the survival of humankind.

Distinguished guests, ladies and gentlemen,

It is not only the global health issue such as covid-19 pandemic or the geopolitical crisis between Russia and Ukraine that have contributed to the setback of global political economy landscape. Rather, there are many other challenges ahead such as the issues of global security threats, world order, and the preservation of global peace and stability.

But, let me take the opportunity to highlight four major great challenges to world stability, security, and global peace before us:

Global environmental degradation and environmental security

(Climate change / global warming, air pollution, deforestation, water crisis, etc).

Environmental degradation is one of the largest threats that are being looked at in the world today.

In a globalized world, many experts argue that environmental changes are the results of human-related/caused factors like urbanization and overpopulation.

For some reasons, environmentalists and ecologists tend to be rather critical of the exploitation of natural resources as the engine driving the economic growth. Increased demand for fossil fuels, and natural resources – extensive agriculture, massive energy consumption, agricultural intensification, palm oil and rubber plantations, aquaculture, and the illegal trade in wildlife – are perceived to be causing environmental degradation and biodiversity loss.

It is very heartening to note that in an effort to provide solutions to these issues, we need to put our hands together in enhancing strong global partnerships through multilateral framework, especially by prioritizing equitable conditions for the humans species and the nature.

The upcoming / recent cop27 unfccc (*conference of the parties to u.n. framework convention on climate change*) climate change annual summit conference that took place in egypt in november 2022, I believe, can become an avenue to formulate and reach any consensus between developed and developing countries through conventions or agreements, with aims to provide sufficient protection for the nature.

The most anticipated contribution of this summit, is fostering collaboration and common consensus among countries to deliver and fulfill their obligations in greenhouse gas emission reductions and to help ensure a smooth, equitable transition towards a net-zero economy which alleviates poverty and helps secure a sustainable future.

We must learn from the previous cop26 summit which was held in glasgow back in november 2021, that the different or even conflicting views of each country's national interest still are the biggest challenge in achieving a global strategic agreement, especially related to compensation as well as funding from developed countries for the economic impact that will be experienced by developing countries.

Another approach that should be proactively identified are the green industrial policies that present the most significant constraints to climate adaptation investment. By channeling domestic and foreign investment to these activities and undertaking constant monitoring whether these investments are managed in such a way as to sustain decent employment and to increase long-term climate security and productivity is not an easy task, but doable and necessary.

I believe that all stakeholders, be it nation-states or multinational corporations must aspire to empower and strengthen the function of global environmental governance which accentuate on policy instruments, financing mechanisms, rules, procedures and norms that regulate the processes of global environmental protection and, most importantly, in enhancing global human consciousness to protect the environment and not being anthropocentric in its physical, infrastructural development.

Ladies and gentlemen,

Global economic instability & global inflation (economic security)

The second major challenge is the maintenance of good governance and economic stability. It is unfortunate to witness in so many countries how economic and financial crisis damage the social and institutional fabric of a country.

The world has been experiencing a dramatic economic crisis. Since the London credit crisis which had spread to other parts of Europe in 1772, the great depression in 1929-1939, the Latin America debt crisis in 1980, the Asian financial crisis in 1997/1998, and the U.S financial crisis in 2007/2008, all have indicated how the world had been confronted by the most devastating economic crisis and instability, and no regions are spared. Consequently, from the latest 2007/2008 crisis, many emerging market economies experienced a remarkable decline in inflation rates over the last two decades.

As can readily be observed, the impacts of each economic crisis not only causes political-economic instability of a nation but it could also drag to another level of non-traditional threats affecting human security such as: increases in unemployment, hyperinflation, the loss of income and purchasing power, growing socio-economic vulnerability, incidents of poverty, increases in criminal activities, the failure of wealth distribution (economic inequality), food insecurity, and may even result in physical social conflict.

It is understandable that a financial crisis may have multiple causes. Thus, in the strong words of John Maynard Keynes, an English economist : “the cause of recessions and depressions is that individuals (behavior) tend to make decisions that are particularly unwise when faced with situations in which the future is uncertain”.

However, I believe that the current market dynamics in existing capitalist system (with free market competition) does not provide any mechanisms to prevent these unwise behaviours and fraudulent decisions. Human-made calamities, such as severe socio-economic deprivation, can also result in another tragedy.

Nonetheless, demonizing unwise behaviors will not solve any problems. It requires some forms of non-market intervention either by the state or by organized social forces. Rules and regulations can and should be used to help make the financial, and the economic system more stable, and to function more transparently as to avoid any speculative activities that can introduce instability to the country and the region.

Ladies and gentlemen, the world is now still struggling with global inflation and it might also led to the global economic recession. Severe damages in the supply side, caused by the failure of transactions in the global economy and crisis in the global supply chain system.

We realize that our livelihoods – food, jobs, energy – depend on functioning and resilient global supply chains. Unfortunately, the uncertainties caused by the spread of the covid-19 pandemic and followed by the geopolitical crisis between russia and ukraine have made it difficult to resume business as previously on a global scale.

The lack of supply of economic commodities due to such situations actually renders it even more difficult for the society in the least developed countries (LDCS) to survive, what more to thrive.

I have full conviction that, in resolving the supply chain crisis, developing countries could benefit and use it as an opportunity to develop and strengthen their regional value chains through regional integration pacts. Regional pacts and more localized production could increase resilience, but this requires investment in digital and production infrastructure.

However, coordinated efforts from the government and the private sector based on the values of strategic trust is the real key to the full recovery of the supply-chain system.

Distinguished guests, ladies and gentlemen,

Global inequality and imbalances development

If I may refer to world social report 2020 published by U.N. department of economic and social affairs, I would argue that global inequality remains a salient global issue in the context of development politics.

Based on the report, up to 30 per cent of income inequality is due to inequality within the households, including between women and men. Women are also more likely than men to live below 50 per cent of the median income.

Furthermore, covid-19 pandemic has also deepened existing inequalities, hitting the poorest and most vulnerable communities the hardest. Income disparities across countries and a lack of opportunities are exacerbating a vicious cycle of global inequality, frustration and discontent across generations.

According to the world bank, global extreme poverty rose in 2020 for the first time in over 20 years. The disruption caused by the covid-19 pandemic, and further compounded by the forces of conflict and climate change were slowing poverty reduction progress. To illustrate the severity of these phenomena, about 100 million additional people are living in poverty as a result of the pandemic.

The other phenomenon which is also related to global inequality is the imbalance development between countries. It is undeniable, that modernization and globalization have brought the world into a more interconnected and integrated system. Economic growth, and increasing gdp, by default becomes the indicators and metrics of measurement for a country's progress and development index.

Unfortunately, if I may refer to the imf, the progress of integration has been uneven in recent decades particularly in the african continent. For me, trade liberalization outlook that has been recommended by the imf is not the only solution in overcoming this imbalance development between these core and periphery countries.

As part of the global community, this duty and responsibility fall upon our shoulders, to provide alternative solutions in ensuring equal opportunity and reducing inequalities of outcome, maintaining equal development among countries, which may include measures such as eliminating discriminatory laws, policies and practices and promoting appropriate consensus in implementing impartial technology and knowledge transfer, policies and action in this regard.

Distinguished guests, ladies and gentlemen

Great power competition, and threat to global peace (geopolitical security),

In the preamble of the u.n charter, the motivational factor for the formation of the united nations is “*to save succeeding generations from the scourge of war*”.

I believe, as we all also know, the history of world’s politics and global political structures were constructed against the backdrop of various destructive wars.

Scholars from the realist school of thought argue that the drive for war is rooted from the intrinsic human nature with inclinations to be egoistic and greedy, whilst several others point at the international structure itself (structure of anarchy).

It could be observed that the recent great-power competition has entered a new level of geopolitical rivalry as evidenced by the east-west confrontation along ideological lines which subsequently manifested in the “cold war” that ended in 1989/1991.

However, during the post-cold war period, the state’s desire in strengthening its military alliances, as well as its involvement in arms race, nuclear proliferation, and attempts to maintain or even to

obtain hegemonic position remain visible between the two powerful states particularly between the U.S and China.

As for the recent geopolitical crisis between russia and ukraine today, it also contributed to high global political tensions between great powers who are involved directly and indirectly in this war. This begs the question, when will the war end and how?

Reality dictates that the rationality among the leaders of these great powers are difficult to gauge, because each of them has different perspectives and conceptions towards specific threats.

In fact, Malaysia's prime minister Dato'Ismael Sabri has expressed his concerns regarding the development of these scenarios which could lead to tension escalation or more conflict, further destabilising global politics.

Malaysia has always stressed on the importance of maintaining every effort to seek a peaceful and amicable solution to the conflict through dialogue and negotiation based on international law and the charter of the united nations.

I believe, Malaysia as a democratic country, will continue to support such efforts in the interest of maintaining regional, and international peace and security, as well as promoting greater, mutual prosperity.

At the regional level, I have great faith that malaysia and its neighboring countries in southeast Asia could come together to strengthen our common identity and reinforce the economic and political cooperation in order to protect, preserve and maintain the neutrality and stability of southeast asia from any potential "buck-passing" in the future.

In developing a good model of peace-making, which is not a simple task, Asean member states should play an active role in ensuring and promoting geopolitical stability and security in the region. This is important considering developing countries are often treated as pawns in the great game of chess between great powers.

Competition to be a hegemon and the expansion of hegemony between great powers have, of course, led to the breakdown of global political structures, as well as the failure of constructive diplomacy between nations.

We can only hope that the leaders of these great powers involved in this rivalry would refrain themselves from acting rashly and subversively, or resorting to violent and coercive approaches in achieving their parochial national, even personal interest.

Most importantly, humanity in general yearns for peace and expect the so-called developed and civilized major powers to take into account the importance of political stability as well as peace for the global community within the framework of pacifism.

Closing remarks

Ladies and gentlemen,

The four main challenges that I have highlighted earlier may paint a gloomy picture of the future world's stability and security. But, I am also optimistic that the world that we live now can become a better place for future generations if we can set aside our egocentric attitude.

I believe, states and non-state actors must collectively pool their resources towards realising this objective, to the extent that, this new level of cooperation will give a new meaning and act as a catalyst to international collaboration to achieve global peace and prosperity.

On a final note, let us work together to make our world a better place to live.

I wish you all well in your deliberations.

Thank you.

Wassalamualaikum warahmatullahi wabarakatuh.

Keynote Address 2

Covid-19 Impacts on Society and Economy

YBhg. Dato' Dr. Harun Jasin

Member of Kedah Appeal Board

Fellow Participants and Presenters of ICIS 2022 and of course, the Organising Committee Members of this Conference.

Distinguished guests, speakers, participants, ladies, and gentlemen,

To be in this position, entrusted to deliver this keynote speech today, I cannot help but to express my appreciation to the ICIS 2022 Organizing Committee. It is also a great honour for me to deliver this address in the presence of learned speakers, scholars, and participants of this 9th international Conference on International Studies (ICIS2022).

May this conference remain as a platform for intellectual exchange and dialogue, through which ideas are nurtured and future collaborations may grow. It is also my wish to see this biennial conference becoming a flagship event for UUM's School of International Studies, through which its prestige and reputation within the regional, even global academic discourse may be highlighted.

Ladies and gentlemen,

“A New World: Embracing Change and Building Resilience” is the main theme of our conference this time. It is an accurate observation of the omnipresent sentiment. Something that we're all too aware of, consciously, or subconsciously in the deep recess of our mind.

In the last two years, the entire global population has experienced the pandemic that upends the socio-economic and political stability. Even today, nation-states around the world are still picking up pieces, struggling to restore the pre-pandemic status-quo to varying degree of successes. Us, in Malaysia is no exception to this scenario.

Our experience with Covid-19 in Malaysia is not dissimilar to those experienced by others around the world. To safeguard the health of our kids, schools were closed, affecting the education for our children. Whereas those living in the urban areas may have the luxuries of uninterrupted internet connection to enable them to attend online classes, keeping up with their lessons, students living in the rural parts of Malaysia faced difficulties to even get a decent internet connection. This gap in the quality of basic infrastructure amplifies the gap between the quality of education these students received, and those living in the rural area are on the losing end. Even university students were affected by intermittent opening and closing of university campuses due to the pandemic,

particularly those who were enrolled in technical courses, requiring specific lab equipment for their learning process, as well as those who live and/or study in the different parts of West and East Malaysia, who relies on flights just to return home or their university campuses.

The Movement Control Order (MCO) or lockdown also witnessed most businesses being suspended, save for the most critical sector. Some business owners made the decision of downsizing the scale of their operations and unfortunately, some were shuttered permanently, leading to increased incidents of unemployment. Restricted operations in the manufacturing sector also leads to decreased in production level, resulting in shortages of certain basic goods, driving its price upwards. This combination of unemployment and inflation is a potent mixture for socio-economic instability. When a breadwinner can no longer bring food onto the table for his family, all bets are off, including (but not limited to) act of crimes.

The Movement Control Order (MCO) which was in place during the earlier parts of the pandemic also shook the basic fabric of family units, when spouses who are physically separated due to the nature of their careers face difficulties to be reunited at the nation's darkest hours, some stranded at their workplace due to the commencement of the MCO. Instead finding comforts in each other, circumstances have forced them to be separated until the restrictions were lifted later. Between March 2020-August 2021, 66,440 divorces were filed within the period of 18 months, or on average nearly 140 divorces a day.

Also affected were binational family. As the borders and airports were closed, and pregnant ladies were discouraged of taking flights during their third trimester, these Malaysian mothers thus have to face the dilemma of taking a very early maternity leave from their work abroad or giving birth to their child abroad and unable to automatically pass the Malaysian citizenship to their child. In the few months, this has reignited the debate on citizenship issues and the validity of existing constitutional provisions addressing it.

The general closing of international borders also hinders not only the movement of people, but also business and investment opportunities. Tourism and the hotel/service sector were heavily affected due to the lack of foreign (and domestic) tourists. In essence, nobody was quite in the mood for vacation when there's disease in the air and multiple rules and regulations need to be observed and complied with.

Distinguished guests, ladies, and gentlemen,

The pandemic that we all experienced (and survived) has also forced us to re-examine our dependency on foreign labour on certain sectors in the country. This is particularly true for the construction and agricultural sector. When the MCO was initially announced, there was a mass exodus of migrant workers who prefer not to be stuck in Malaysia when the border eventually closed. Among those who stayed, especially those without proper permits or work visa also find ways to evade and elude enforcement officers, leading to the spread of disease and undermining any quarantine efforts by the government.

News pertaining to mistreatment of arrested foreign workers in detention centres and incidents of infection among the detainee sow seeds of mistrusts between these foreign workers and the

authorities while further tarnishing the national image. Thus, when the border eventually reopens, the Malaysian government need to enter series of negotiations with other countries who previously supply our labour forces, to allow their citizens to return to Malaysia again for work. This dependency on cheap, imported workforces has suppressed the wages of local Malaysians for years, and present-day scenario should force the industry leaders to be more introspective on their standard practices, and its long-term consequences for the nation.

The pandemic years have put us in a situation where we were forced to adapt and adopt a new working environment. Although the advent of the internet in early 90s has promised the convenience of remote working from home, or away from traditional office setting, it was deemed as unreliable and unfeasible. The movement restriction imposed by the Malaysian government during the pandemic has forced employers to find ways to keep their business running without physically operating from their office buildings. Not only this results in reduction of their overall overhead costs, on rent and utilities, their workers were also spared from the stress of daily commutes. Less traffic on the road, and less green-house gasses emission from the vehicles are among the unintended consequences of this arrangement.

In an effort to curb the spread of Covid-19, the government of Malaysia has mandated the use of individual tracking application through smartphones. Whereas the intention is understandably good, to facilitate tracking and tracing of high-risk or exposed individual, it leads to the question of personal liberty and privacy. To what extent it is appropriate for the government to know the movement of its people, and what are the guarantee that this information will remain safe and not fall to unscrupulous hands? As of the month of May this year, the use of the apps is no longer mandatory, but the data gathered on the movement of millions of Malaysians, which shops or establishment they went to, for how long of a duration and the frequency of their visits can be a useful and very precious commercial tool if left unsecure and exposed to exploitation. It is not very different from the tracking cookies collected by our internet browsers when we surf the internet, and ended up used for targeted advertisement, upon knowing the pattern and habit of our internet usage.

Ladies and gentlemen,

History has shown that the rebuilding of a society after a pandemic may results in systemic changes in ways one cannot foresee. For example, during the Black Death in Europe, it was known that the plague affects both the wealthy and the poor equally. People died leaving their material and worldly possessions intact. The surplus of clothes at the time was converted into rag-paper, and when used in tandem with the newly invented printing-press machine, it accelerated the dispersion of knowledge, triggering the beginning of the Renaissance period within a century.

Whereas history doesn't repeat itself, it certainly rhymes. We don't exactly know what awaits us in the future amidst all these uncertainties, yet it becomes the very reason why we should try to prepare for it. This conference is one such effort, for us to share and discuss our concerns on how we can all rise together even stronger.

May the seeds that we sow today becomes a tree from which we may seek shelter and respite upon facing challenges in an even more uncertain future.

I wish everyone the best in their deliberations.

Thank you.

PART I: ECONOMIC DEVELOPMENT

ANALISA BIBLIOMETRIK SUBSIDI PERIKANAN

Laila Suriya Ahmad Apandi* & Mohamad Zaki Ahmad
Asian Institute of International Affairs & Diplomacy (AIIAD)/ Pusat Pengajian Antarabangsa,
Universiti Utara Malaysia

*Corresponding author's email: laila@uum.edu.my

Abstrak: Subsidi perikanan merupakan inisiatif kebanyakan kerajaan dunia untuk membantu sektor perikanan negara menerusi peruntukan dana dan bantuan teknikal. Namun begitu, tindakan sebegini telah menyebabkan permasalahan kelestarian perikanan yang sekaligus menggugat pencapaian dunia khususnya matlamat pembangunan mampan (*sustainable development goal*) yang bernombor 14; kehidupan di bawah air (*life below water*). Justeru itu, kajian ini menganalisa penerbitan di pangkalan Scopus mengenai subsidi perikanan. Dapatan kajian menunjukkan bahawa kecenderungan penerbitan mengenai subsidi perikanan adalah turun naik (*fluctuate*) sejak penerbitan pertamanya pada 1998.

Katakunci: Subsidi perikanan, analisis bibliometrik, Scopus.

PENGENALAN

Subsidi perikanan merupakan inisiatif kebanyakan kerajaan dunia untuk membantu sektor perikanan negara menerusi peruntukan dana dan bantuan teknikal. Namun begitu, tindakan sebegini telah menyebabkan permasalahan kelestarian perikanan yang sekaligus menggugat pencapaian dunia khususnya matlamat pembangunan mampan (*sustainable development goal*) yang bernombor 14; kehidupan di bawah air (*life below water*). Justeru itu, kertas kerja ini bertujuan untuk menghasilkan analisis bibliometrik berdasarkan bahan penerbitan Scopus mengenai subsidi perikanan.

METODOLOGI

Kajian ini bermula dengan pencarian bahan di pangkalan Scopus menggunakan terma *fisheries subsidies*. Hasil pencarian adalah sebanyak 117 bahan di mana carian telah dijalankan pada 13hb Oktober 2022. Tiada kriteria pengecualian (exclusion) digunakan dalam kajian ini.

DAPATAN KAJIAN

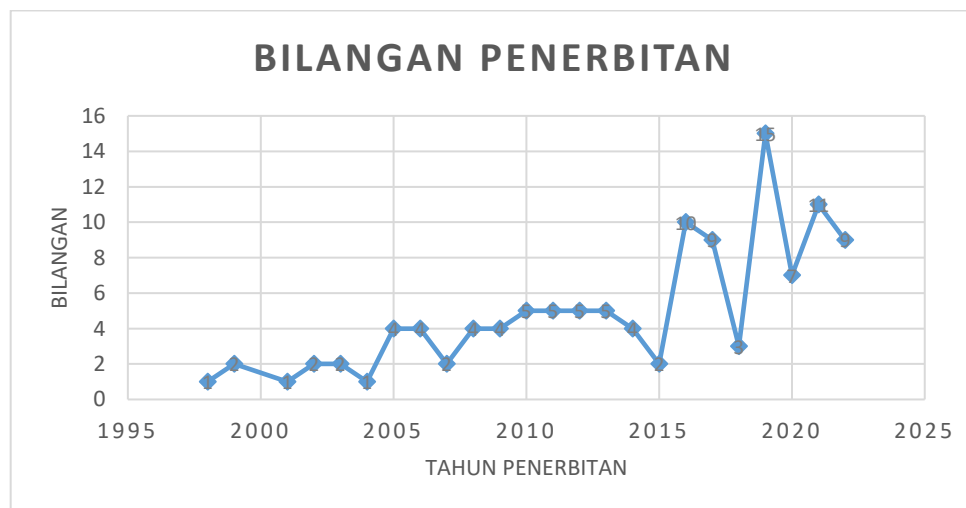
Bahagian ini membincangkan dapatan kajian berdasarkan analisa bibliometrik. Ianya membahaskan jenis penerbitan, sumber penerbitan yang paling aktif, penulis paling banyak menyumbang dan pembiaya penerbitan yang berkaitan dengan subsidi perikanan.

Berdasarkan 117 penerbitan yang dihasilkan mengenai subsidi perikanan, terdapat 83 artikel jurnal, 14 ulasan dalam jurnal, 8 bab dalam buku, 3 kertas prosiding, 3 *letter* dalam jurnal, 3 *note* dalam jurnal, 2 buku dan 1 kertas data dalam jurnal. Penerbitan pertama mengenai subsidi perikanan adalah satu artikel jurnal bertajuk '*Fisheries subsidies, the WTO and the Pacific Island*

tuna fisheries' yang ditulis oleh Roman Grynberg dan Ben M. Tsamenyi pada tahun 1998. Artikel ini mengupas permasalahan dagangan perikanan antarabangsa seperti perincian konteks subsidi perikanan yang dibenarkan dalam *Agreement on Subsidies and Countervailing Measures* dan mewujudkan keseimbangan kepentingan perdagangan dan peka alam sekitar perlu bagi memastikan kelestarian pembangunan negara perikanan khususnya di kepulauan Pasifik.

Walau bagaimana pun, Rajah 1.0 menunjukkan kecenderungan penerbitan mengenai subsidi perikanan adalah turun naik (*fluctuate*). Penerbitan tertinggi adalah pada tahun 2019 (15 penerbitan), diikuti dengan tahun 2021 (11) dan tahun 2016 (10). Adalah dijangkakan bahawa penerbitan mengenai subsidi perikanan akan meningkat berikutan kejayaan Perjanjian WTO mengenai Subsidi Perikanan yang diterimapkai oleh negara ahli pada 17 Jun 2022 (WTO 2022).

Rajah 1.0 Bilangan Penerbitan



Sumber: Penulis

Berdasarkan Jadual 1.0, sumber penerbitan yang paling aktif adalah jurnal '*Marine Policy*'. Ianya menyumbang kepada bidang *Social Sciences: Law, Agricultural and Biological Sciences: Aquatic Science*, dan *Economics. Econometrics and Finance: Economics and Econometrics*. Ini diikuti dengan '*Ocean and Coastal Management*' sebanyak 7 bahan mengenai subsidi perikanan dan sumbangan kepada bidang ilmu adalah *Agricultural and Biological Sciences: Aquatic Science, Earth and Planetary Sciences: Oceanography*, dan *Environmental Science: Management, Monitoring, Policy and Law*. Manakala, '*Journal of World Trade*' menyumbangkan sebanyak 4 bahan dalam bidang ilmu seperti *Social Sciences: Law, Social Sciences: Political Science and International Relations*, dan *Economics. Econometrics and Finance: Economics and Econometrics*.

Jadual 1.0: Senarai 10 Sumber Penerbitan Yang Paling Aktif

| Tajuk Penerbitan | Jumlah Penerbitan | % | Penerbit | CiteScore 2021 | Scimago Journal Rank (SJR) 2021 | Score Normalized Impact per Paper (SNIP) 2021 |
|--|--------------------------|----------|---------------------------------|-----------------------|--|--|
| <i>Marine Policy</i> | 28 | 23.93% | <i>Elsevier</i> | 6.8 | 1.166 | 1.582 |
| <i>Ocean and Coastal Management</i> | 7 | 5.98% | <i>Elsevier</i> | 6.2 | 0.969 | 1.383 |
| <i>Journal of World Trade</i> | 4 | 3.42% | <i>Kluwer Law International</i> | 1.5 | 0.572 | 1.016 |
| <i>Fisheries Research</i> | 3 | 2.56% | <i>Elsevier</i> | 4.5 | 0.791 | 1.247 |
| <i>Fisheries Science</i> | 3 | 2.56% | <i>Springer Nature</i> | 3.0 | 0.466 | 0.993 |
| <i>Journal of International Economic Law</i> | 3 | 2.56% | <i>Oxford University Press</i> | 2.8 | 1.36 | 1.991 |
| <i>Ecological Economics</i> | 2 | 1.71% | <i>Elsevier</i> | 10.9 | 1.778 | 2.084 |
| <i>Fish and Fisheries</i> | 2 | 1.71% | <i>Wiley-Blackwell</i> | 12.7 | 2.242 | 2.915 |
| <i>Fisheries Subsidies Sustainable Development and the WTO</i> | 2 | 1.71% | <i>EarthScan</i> | Tiada kaitan (Buku) | Tiada kaitan (Buku) | Tiada kaitan (Buku) |
| <i>Global Trade and Customs Journal</i> | 2 | 1.71% | <i>Kluwer Law International</i> | 0.3 | 0.273 | 0.492 |

Disusun oleh Penulis berdasarkan data yang dicapai menerusi pengkalan Scopus

Manakala, lima bidang utama yang menghasilkan penerbitan mengenai subsidi perikanan adalah sains alam sekitar (67), sains sosial (61), sains pertanian dan biologi (58), ekonomi, ekonometriks, dan kewangan (54) serta *earth and planetary sciences* (19).

**Jadual 2.0: Senarai 10 Penulis Yang Paling Banyak Menghasilkan
Penerbitan Mengenai Subsidi Perikanan**

| Nama Penulis | Bilangan Penerbitan | % | Organisasi | Negara |
|---------------------------|----------------------------|----------|--|--------------------------|
| Sumaila, U.R. | 33 | 28.21% | Institute for Oceans and Fisheries, Fisheries Economics Research Unit, University of British Columbia | Canada |
| Schuhbauer, A. | 11 | 9.40% | Institute for Oceans and Fisheries, University of British Columbia | Canada |
| Pauly, D. | 9 | 7.69% | Sea Around Us, Institute for Oceans and Fisheries, Department of Zoology, University of British Columbia | Canada |
| Cisneros-Montemayor, A.M. | 7 | 5.98% | Simon Fraser University | Canada |
| Le Manach, F. | 7 | 5.98% | BLOOM Organisation (NGO) | France |
| Skerritt, D.J. | 6 | 5.13% | Institute for Oceans and Fisheries, University of British Columbia | Canada |
| Yagi, N. | 5 | 4.27% | Graduate School of Agricultural and Life Sciences, University of Tokyo | Japan |
| Ebrahim, N. | 4 | 3.42% | Institute for Oceans and Fisheries, University of British Columbia | Canada |
| Grynberg, R. | 4 | 3.42% | University of the South Pacific | Fiji |
| Mallory, T.G. | 4 | 3.42% | University of Washington | United States of America |

Disusun oleh Penulis berdasarkan data yang dicapai menerusi pengkalan Scopus

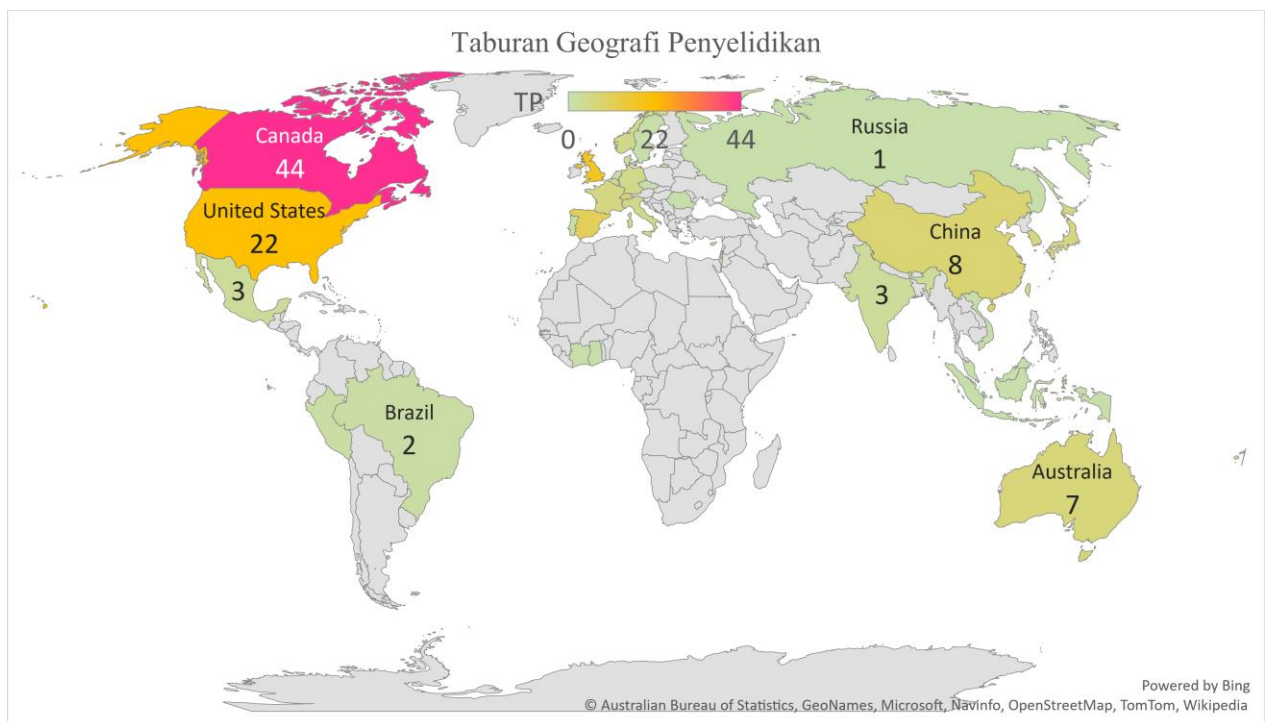
Penulis paling prolifik dalam bidang subsidi perikanan adalah Prof. Dr. Rashid Sumaila dari University of British Columbia, Canada yang telah menghasilkan sebanyak 33 penerbitan yang banyak dihasilkan berdasarkan penyelidikan beliau mengenai bio-ekonomi, penilaian ekosistem marin dan analisis isu maritim. Ini dikuti oleh Dr. Anna Schuhbauer yang telah menghasilkan sebanyak 11 penerbitan dan Prof. Dr. Daniel Pauly sebanyak 9 penerbitan di mana kedua mereka juga dari University of British Columbia, Canada. Perlu ditekankan bahawa ketiga-tiga penulis prolifik ini juga banyak menjalankan penyelidikan bersama mengenai subsidi perikanan.

Jadual 3.0: Lima Penerbitan Subsidi Perikanan Yang Paling Banyak Mendapat Citasi

| No | Penulis | Tajuk | Sumber Jurnal | Total Citasi | Citasi Dasar |
|----|--|--|---|--------------|--------------|
| 1 | Sumaila, U. R., Khan, A., Dyck, A.J., Watson, R., Munro, G., Tydemers, P., & Pauly, D. (2010) | <i>A bottom-up re-estimation of global fisheries subsidies</i> | <i>Journal of Bioeconomics</i> , 12(3), pp. 201-225 | 202 | 66 |
| 2 | Sumaila, U.R., Teh L., Watson, R., Tydemers, P., & Pauly, D. (2008) | <i>Fuel price increase, subsidies, overcapacity, and resource sustainability</i> | <i>ICES Journal of Marine Science</i> , 65(6), pp. 832-840 | 137 | 9 |
| 3 | Clark, C.W., Munro, G.R. & Sumaila, U.R. (2005) | <i>Subsidies, buybacks, and sustainable fisheries</i> | <i>Journal of Environmental Economics and Management</i> , 50(1), pp. 47-58 | 137 | 28 |
| 4 | Jacquet, J., Hocevar, J, Lai, S., Majluf, P., Pelletier, N., Pitcher, T., Sala, E., Sumaila, U.R. & Pauly, D. (2010) | <i>Conserving wild fish in sea of market-based efforts</i> | ORYX, 44(1), pp. 45-56 | 118 | 4 |
| 5 | Sumaila, U.R., Lam, V., Le Manach, F., Swartz, W. & Pauly, D. (2016) | <i>'Global fisheries subsidies: An updated estimate'</i> | <i>Marine Policy</i> , 69, pp. 189-193 | 112 | 49 |

Lima penerbitan subsidi perikanan yang paling banyak mendapat citasi adalah ‘*A bottom-up re-estimation of global fisheries subsidies*’ (2010) sebanyak 202 citasi, ‘*Fuel price increase, subsidies, overcapacity, and resource sustainability*’ (2008) sebanyak 137 citasi, ‘*Subsidies, buybacks, and sustainable fisheries*’ (2005) sebanyak 137 citasi, ‘*Conserving wild fish in sea of market-based efforts*’ (2010) sebanyak 118 citasi, dan ‘*Global fisheries subsidies: An updated estimate*’ (2016) sebanyak 112 citasi. Perincian adalah seperti di Jadual 4.

Artikel yang paling banyak mendapat citasi adalah ‘*A bottom-up re-estimation of global fisheries subsidies*’ yang dihasilkan oleh para penyelidik dari Kanada. Ianya mendefinisikan subsidi perikanan sebagai pembiayaan kewangan samada secara langsung atau tidak langsung daripada sektor awam kepada sektor perikanan bagi tujuan membantu sektor perikanan mendapat keuntungan berbanding sebaliknya (Sumaila et. al 2010). Artikel ini mengkaji subsidi berfaedah, subsidi bersifat pembinaan kapasiti, dan subsidi samar-samar dengan menggunakan data statistik yang berkaitan dengan subsidi perikanan daripada pihak berwibawa seperti *Organization for Economic Cooperation and Development* (OECD) dan *Asian Pacific Economic Cooperation* (APEC) (Sumaila et. al 2010). Analisis data telah dijalankan menggunakan kaedah ‘equation’ matematik berdasarkan formula yang dibangunkan sendiri oleh para penulis artikel. Sumbangan utama artikel ini adalah pemahaman empirikal mengenai apa yang patut dan apa yang tidak patut disubsidikan dalam sektor dagangan perikanan.



Manakala, penerbitan mengenai subsidi perikanan banyak tertumpu di kawasan Eropah sebanyak 70 penerbitan. Ini diikuti dengan kawasan Amerika Utara khususnya Kanada sebanyak 44 penerbitan, Amerika Syarikat sebanyak 22 penerbitan dan Mexico sebanyak 3 penerbitan.

Dari aspek pembiayaan geran penyelidikan, lima penaja pembiayaan teratas adalah *Pew Charitable Trusts* (12 penerbitan), *Social Sciences and Humanities Research Council of Canada* (8 penerbitan), *European Commission* (4 penerbitan), *Horizon 2020 Framework Programme* (3 penerbitan), dan *British Columbia* (3 penerbitan).

KESIMPULAN

Kesimpulannya, kecenderungan penerbitan mengenai subsidi perikanan adalah turun naik (*fluctuate*) sejak penerbitan pertamanya pada 1998. Namun begitu, isu subsidi perikanan masih lagi relevan setelah termeterainya Perjanjian WTO mengenai Subsidi Perikanan pada 17 Jun 2022 (WTO 2022). Secara keseluruhannya, kajian mengenai subsidi perikanan meliputi pelbagai bidang ilmu seperti alam sekitar dan sains sosial.

ACKNOWLEDGEMENT

Kertas kerja ini merupakan sebahagian daripada hasil penyelidikan yang dibiayai oleh Universiti Utara Malaysia menerusi Social Innovation Grant Scheme (Research ID: 6613, SO Code: 13980).

RUJUKAN

Food And Agriculture Organization Of The United Nations (2003). Report of the Expert Consultation on Identifying, Assessing and Reporting on Subsidies in the Fishing Industry - Rome, 3-6 December 2002. <https://www.fao.org/3/y4446e/y4446e0k.htm#bm20.1>

Grynberg, R. & Tsamenyi, B.M. (1998). 'Fisheries subsidies, the WTO and the Pacific Island tuna fisheries. *Faculty of Law, Humanities and the Arts – Papers*: 113. <https://ro.uow.edu.au/lhapapers/13>

Saja, AMA (2021) Sustainable Development Goal (Sdg 14): 'Life Below Water' – Preserving And Protecting The Oceans And Seas And The Life Within Them Is A Vital Task For Engineers. <http://aslamsaja.com/sustainable-development-goal-sdg-14-life-below-water-preserving-and-protecting-the-oceans-and-seas-and-the-life-within-them-is-a-vital-task-for-engineers/>

Sumaila, U. R., Khan, A., Dyck, A.J., Watson, R., Munro, G., Tydemers, P., & Pauly, D. (2010). A Bottom-Up Re-Estimation of Global Fisheries Subsidies. *Journal of Bioeconomics*, 12(3), pp. 201-225

WTO (2022). Agreement on Fisheries Subsidies. https://www.wto.org/english/tratop_e/rulesneg_e/fish_e/fish_e.htm

BAJO FISHERMAN NEGOTIATION STRATEGY DEALING WITH LOCAL CAPITALISTS TO ACHIEVE SOCIAL BALANCE

Muhamad Arsat¹, Ansar Arifin², Mungsi Lampe³, Tasrifin Tahara⁴

Department of Anthropology, Faculty of Social and Political Sciences, Hasanuddin University,
Makassar, Indonesia.^{1,2,3,4}

E-mail: arsatmuhamad88@gmail.com, ansararifin@gmail.com,
munsilampe257@gmail.com³, tasrifin.tahara@yahoo.co.id⁴

Abstract. Negotiation of Bajo fishermen with local capitalists is a very complex social process, an important factor and determinant of the principle of mutual benefit to prevent the loss of relations in order to create social balance. This study uses a qualitative method with an ethnographic approach. This research was conducted in Dobo City, Aru Islands Regency, Maluku Province. The type of data consists of primary data and secondary data. Primary data collection was done through observation and in-depth interviews. While secondary data is obtained by searching literature sourced from printed books, ebooks, online and printed journals. Management and presentation of data is carried out by means of data reduction, data analysis, holistic-integrative presentation of data and drawing conclusions. The results show that the negotiations carried out by Bajo fishermen are very dependent on expectations and needs so that they are able to conquer local capitalists so that they are willing to accept their desire to sell their catch and accept their desire to buy shipping and fishing needs to others. While local capitalists legitimize the sale of marine products in accordance with fishermen's debts because local capitalists believe that small profits are not a problem, the important thing is that relations with Bajo fishermen are controlled.

Keywords: strategy, negotiation, Bajo people, local capitalist, equilibrium.

A. Introduction

Humans should have a high spirit and discipline to face everything. Humans must also be good at tactics and adapt to changes that occur and must have the ability to negotiate to show character as a leader or as a peace figure. The inability of fishermen to diversify their work so that they are very dependent on the condition of the surrounding water resources causes economic instability in the lives of the fishing communities themselves. This condition is an undeniable indicator of differences in the level of welfare and from the past until now, there has not been much change for the better or at a higher level of life. One of the cultures that is still inherent in the life of the fishing community is the patron-client relationship, namely the social relationship between fishermen and local capitalists or the so-called owners of capital. (Scott, 1990), states that the patron-client relationship involves the relationship between an individual with a higher socioeconomic status patron, who uses influence and resources to provide protection and benefits for someone with a lower status (the client).

Bajo fishermen have a distinctive behavior in running their business, namely behavior that prioritizes "even distribution of risk" in the business. This behavior is the result of adaptation to high-risk fishing businesses and irregular income patterns. This adaptive behavior, after going through the process of time, is institutionalized in the form of an institution, and is part of the fisherman's culture. The institutions in question, which are important aspects of empowerment, are the pattern of group ownership of the means of production and the profit-sharing system. The irregular income pattern of fishermen causes the behavior of prioritizing risk equity to persist and becomes the epicenter of conflict with local capitalists if not handled properly.

Bajo fishermen in the Aru Islands district are dependent on a small number of means of production and capital so they lack access and bargaining power. These socio-cultural constraints arise when there are Bajo fishermen who are unable to access resources and are unable to determine or negotiate the price of their catch with local capitalists. However, local capitalists took actions that were very detrimental to Bajo fishermen, namely not opening up space for fishermen's activities to connect with other capitalists and at the same time limiting fishermen from buying shipping and fishing needs.

In principle, everyone is negotiating all the time. Negotiate to decide where to have dinner. Children negotiate to decide which television program to watch. Businessmen negotiate to buy materials and sell their products. Lawyers negotiate to finalize legal statements before going to court. The police negotiate with the terrorists to free the hostages. Nations negotiate opening their borders to free trade.

It is understood that negotiation is not a process reserved only for skilled diplomats, well-known dealers, or lawyers working for an organized approach; this is something that everyone does, almost every day. While the stakes aren't as dramatic as a peace agreement or a large company merger as everyone negotiates sometimes for important things like a new job, sometimes it's also for relatively minor things like who benefits from the negotiations.

Likewise what happened to the Bajo people, they risked their lives just to save the economy and the future of their family. Arifin, et al (2019), stated that basically, fishermen always identify and solve problems collectively and place more emphasis on external and internal environmental assessments and are action-oriented.

Negotiations occur for several reasons, first, agreeing how to divide up a finite resource, such as land, or property, or time; the second creates something new when both parties do it their own way, or the third resolves a problem or dispute between the two parties. Sometimes people fail to negotiate because they don't realize they are in a negotiating situation. By making choices other than negotiation, they may fail to achieve their goals, get what they need, or manage matters as well as they would like. People may also recognize the need to negotiate, but do so poorly because they misunderstand the process and lack negotiation skills. Negotiation is basically a form of decision making by two or more parties talking to each other in an effort to resolve the interests of

human debate (Pruitt, 1981). At the heart of negotiation is the give and take process used to reach an agreement.

The research that we have done and written in this paper aims to (1) describe ethnographically about the negotiation strategy of Bajo fishermen with local capitalists. (2) find the nature of negotiations between Bajo fishermen and local capitalists as a medium for managing conflict to reach mutually beneficial agreements.

A. Research Method

a. Types of research

This study uses an ethnographic method that seeks to study cultural events about the negotiations between Bajo fishermen and local capitalists. This research is also based on the phenomenon of fishermen who are not submissive or disobedient to capitalist power. This research was conducted in a natural situation, so there is no limit in interpreting or understanding the phenomenon under study. The selection of the ethnographic method is very appropriate to describe the reality that is not based solely on the interpretation of the researcher but from the actor himself or by "seeing reality from the perspective of the actor, namely the mental component in the minds of those who are members of a culture or society, who see themselves as themselves and the world from their own perspective, on the basis of the values, knowledge and attitudes that are nurtured in the culture.

Therefore, the ethnographic method becomes very interesting and can provide added value in scientific studies because it describes the diversity of complex conceptual structures of cultural phenomena as they are and explores the events or contexts represented in the narrative as situations that actually occur or are contextual in nature with the aim of to describe holistically the culture of the Bajo people and local capitalists who harbor and hide cultural actors in carrying out resistance actions.

b. Research sites

This research was conducted in Dobo city, Aru Islands district because this area is very high resistance between Bajo fishermen and local capitalists. So far, the presence of the Bajo people in the city is considered a symbol of the strength of the maritime economy because they dare to sail the seas by boat to carry out fishing activities. Their intensity in sailing and looking for marine products in the form of sea cucumbers, fish and shellfish is the main attraction for local capitalists to provide capital to them with a persuasion mechanism.

However, after a long time the interaction took place, slowly but surely the Bajo people began to realize that the goodness that had been given by local capitalists was full of interests and was hidden in false rhetoric and logic. Through image politics which increasingly shows its reality, the

Bajo people fight, negotiate intensely with local capitalists and improve adaptation in various ways, one of which is borrowing the shipping and fishing needs of the Bugis, Makassarese and Javanese who own shops. This action was taken to get a cheap price because buying or borrowing from local capitalists who act as shop owners and buyers of seafood in Dobo city always at low prices.

However, when it is known by the capitalists, they negotiate and compromise with their fellow capitalists in order to give the Bajo people space to buy shipping and fishing needs which are legitimized by local capitalists.

c. Research Informants

Research informants vary widely, namely boat voters and capitalists (capitalists). The informants were chosen deliberately and their real names were changed to pseudonyms with the consideration that they know and understand the reality of the negotiations that have been going on and protect them from potential control from neighbors or other fishermen because they have provided information about their situation and condition.

d. Data Sources and Data Collection Techniques

This research is supported by data derived from primary data through observation and in-depth interviews. First, observation is done by direct observation and systematic recording of the object to be studied. When making observations, the instrument is a camera to photograph the activities of Bajo fishermen and capitalists.

Second, in-depth interviews were conducted to find out the attitudes, behaviors and ways of thinking of Bajo fishermen and capitalists. Interviews used various data collection instruments, namely interview guides in the form of questions developed during the study, recording conversations using cell phones and using field notes to briefly describe the context of behavior, the informant's feelings, reactions to experiences and brief reflections on personal meaning and meaning. the meaning of the incident.

In addition to primary data, this study also uses secondary data as supporting data to understand research issues related to the attitudes, behaviors and ways of thinking of boat voters and capitalists, which are sourced from books and research journals that have been conducted by previous researchers and published publicly. online or published in print.

e. Data analysis technique

The steps to analyze the data that have been obtained and have been conceptualized by the informants are carried out by ethnography, firstly, transcribing the data obtained from in-depth interviews stored in interview recordings and field notes. The second step is to read the entire data and then detect the emerging themes and sort them into parts as conceptualized by the informant to be the topic of discussion.

Third, a detailed analysis of thematic segments which refer to a systematic examination of something to determine its parts, the relationship between the parts and the whole and interpret them so that it is possible to find various problems and find the cultural meaning of the negotiation actions carried out by Bajo fishermen against capitalists. . Fourth, describe holistically-integratively in order to get a native's point of view from everything found on the topic, research focus and integrate it with the domain of relevant theoretical ideas.

C. Characteristics of the Negotiation Situation Between Bajo Fishermen and Local Capitalists

Negotiation is basically a process of two or more parties trying to resolve their conflicting interests. Thus, negotiation is considered as a mechanism by which people can resolve conflicts. The negotiation situation basically has the same characteristics, whether it is peace negotiations and business negotiations between Bajo fishermen and local capitalists to try to find a solution. There are several characteristics common to all negotiation situations proposed by Lewicki (2012) namely that there are two or more parties involved, there is a conflict of needs and desires between two or more parties to find a way to resolve the conflict.

Bajo fishermen with local capitalists negotiate because they think they can get a better deal by negotiating than simply accepting whether the other side will voluntarily give them or let them have all available resources. There is a negotiation process mostly voluntary processes, they negotiate because they can increase expenses or outcomes, as opposed to not negotiating or simply accepting what the other party has to offer. This is a strategy carried out with mutually beneficial options. Basically, there is a time to negotiate and a time not to negotiate.

When negotiating, Bajo fishermen with local capitalists expect a “give and take” process. They hope that both parties will modify or amend their original statement, request, or demand. Although at first both parties may argue strongly against what they want because each pushes the other to make the first move, in the end both parties will change their initial position with the aim of reaching an agreement. This movement may lead to their “middle” position, which is called compromise. Negotiations between Bajo fishermen and local capitalists are really creative and require a good compromise, however both parties can come up with a solution that meets a common goal.

Niasar (2020) stated that based on the thematic analysis, three lobbying and negotiation strategies were found; (1) compromise, (2) brainstorming, and (3) convincing. Both sides (Bajo fishermen and local capitalists) prefer to negotiate and seek agreement rather than openly fight, one side dominates and the other side surrenders, cutting off contact permanently, or taking their dispute to a higher authority to resolve it. Negotiations occur when Bajo fishermen with local capitalists prefer to create their own solutions to resolve conflicts, when there is no fixed or established set of rules or procedures to resolve conflicts, or when they choose to ignore these rules.

Successful negotiations between Bajo fishermen and local capitalists involve the management of the visible factors (eg, prices or terms of the agreement) as well as the resolution of the invisible factors. Invisible factors are the basis for psychological motivations that may influence the parties during negotiations, either directly or indirectly. Saorín-Iborra (2008) some examples of invisible factors are divided into several parts, namely 1) the need to win, beat the other party, or prevent the other party from losing. 2) the need to appear good, competent, or very strong to the people they represent. 3) the need to defend important principles or examples in negotiations. 4) the need to appear fair, or honorable or to protect one's reputation. 5) the need to maintain a good relationship with the other party after the negotiation is over, especially by maintaining trust and reducing uncertainty.

The invisible factor between Bajo fishermen and local capitalists is always rooted in personal values and emotions. Invisible factors can have a major influence on the negotiation process and outcome; it is almost impossible to ignore them because they affect judgments about fairness, truth, or appropriateness in the resolution of visible factors. Lampe et al (2020) stated that through negotiations, fishing patterns by fishermen continue to change in three stages, namely exploitative, destructive and marine protection to achieve balance and justice.

D. Interdependence between Bajo Fishermen and Local Capitalists

One of the key characteristics of a negotiated situation between fishermen and local capitalists is that the parties need each other to achieve their desired goals or outcomes. That is, they must coordinate with each other to achieve their own goals, or they choose to work together because the results achieved will be better than working alone.

Most relationships between Bajo fishermen and local capitalists can be characterized in one of three ways: independent, dependent, or interdependent. Independent parties can meet their own needs without the help and support of others. Bajo fishermen with local capitalists can be relatively separate, indifferent, and not involved with other people. Dependent parties must rely on others for what they need because they need the help, benevolence, or cooperation of others, dependent parties must accept and accommodate the provider's wishes and privileges. For example, Bajo fishermen are very dependent on capitalists for the distribution of the sale of their catch, including sea cucumbers, fish and shellfish, as well as the purchase of shipping and fishing needs.

The interdependent parties, however, are characterized by goals that need each other to achieve their goals. For Bajo fishermen and local capitalists, to achieve their goals, everyone needs to depend on others to contribute their time, knowledge and resources and to align their efforts.

The interdependence structure shapes the strategies and tactics that negotiators engage. In a distributive situation, the fishermen's negotiators are the owners of the boats while the capitalists involve the business owners who are motivated to win the competition and beat the other party or to get the largest share of the fixed resources they get. For this purpose, negotiators typically use win-lose strategies and tactics. This approach to distributive negotiation is called distributive bargaining because it accepts the fact that there is only one winner given the situation and pursues action to become that winner. The goal of negotiation is to claim a very substantial value i.e. to do everything necessary to claim the prize, or get the biggest discount possible (Lax and Sebenius, 1986).

On the other hand, in an integrative situation, Bajo fisherman negotiators and local capitalists must use win-win strategies and tactics. This approach to negotiation is called integrative negotiation- which seeks to find a solution, so that both parties can do well and achieve their goals. The goal of negotiations between Bajo fishermen and local capitalists is to create value in order to find ways for all parties to meet their goals, either by identifying more resources or finding unique ways to share and coordinate resource use. Thus, Tahara (2021) also states implicitly that the negotiation strategy can shape the history, identity and network of the Bajo people with other tribes.

Negotiators must be able to recognize situations that require more of one approach than the other, namely those that require predominantly distributive strategies and tactics, and those that require integrative strategies and tactics. Generally, distributive bargaining is appropriate when time and resources are limited, when others seem to be competing, and when there is no possibility of future interaction with the other party. Every other situation should be approached with an integrative strategy with the principle that fishermen need buyers of seafood while capitalists want profits from selling seafood.

Negotiators must be flexible in their convenience and use both strategic approaches. Bajo fisherman negotiators and local capitalists must not only be able to realize appropriate strategies, but must also be able to use both approaches with equal flexibility. There is no single best, desired, or correct way to negotiate because the choice of negotiation strategy requires adaptation to the situation.

Negotiators' perceptions of situations tend to be biased in seeing issues as being more competitive or distributive than they really are. Accurately accepting the interdependence nature of Bajo fishermen and local capitalists is critical to successful negotiations. Unfortunately, most Bajo fishing negotiators and local capitalists do not accept these situations accurately. They bring many things into a negotiation, namely past experiences, personalities, moods, habits, and beliefs about how to negotiate. These elements dramatically shaped the method by which Bajo fishermen and

local capitalists accept an interdependent situation, and these perceptions had a strong effect on the negotiations that followed.

The tendency for Bajo fisherman negotiators and local capitalists to see the world as more competitive and distributive than it really is, and to reduce integrative value-creating processes to suggest that many negotiations yield suboptimal results. At most basic levels, successful coordination between Bajo fishermen and local capitalists, interdependence has the potential to bring about synergy, which is the idea that “the whole is greater than the part”.

There are a number of examples of synergies, between Bajo fishermen and local capitalists. In business development, focus on designing to bring different goals and problems to minimize their innovative potential beyond the wishes of other fishermen. In this situation, interdependence is created between two or more parties, and the creators are successfully applying the skills and increasing the potential for successful value creation.

Fundamentally, value can be created in many ways and the process lies in exploiting the differences that exist between negotiators. According to Lax and Sebenius (1986) there are key differences among negotiators, firstly differences in interests. Negotiators rarely judge everything in a negotiation equally and are always eager to find a match in differing interests is often the key to unlocking the value creation puzzle. Second, different judgments about the future. People differ in their assessment of the worth or future value of an item but always see a potential future and do not want failure. Third, the difference in risk tolerance. People can take different amounts of risk and so have to invest profits for the future. Fourth, the difference in timing. Negotiators differ in how time affects them. Fishermen and capitalist negotiators want to realize income, while others may prefer to save income for the future; one needs a quick resolution, the other does not need any change in the status quo. Differences in timing have the potential to create value in a negotiation.

In short, while value is often created by exploiting the common good, differences can also emerge as the basis for creating value. At the heart of negotiations between Bajo fishermen and local capitalists is to explore common interests as well as individual differences to create this value and apply those interests as the basis for a strong and enduring agreement. Differences can be seen as insurmountable, but in that case they serve as barriers. As a result, Bajo fisherman negotiators and local capitalists must also learn to manage conflict effectively to manage their differences while seeking methods to minimize their combined value.

E. Strategies and Tactics of Distributive Bargaining Between Bajo Fishermen and Local Capitalists

In situations of distributive bargaining, the goals of the Bajo fishermen are usually in direct conflict with those of the local capitalists. Marine resources are fixed and limited, and both parties want to maximize their share of the profits. One important strategy is to carefully guard information between negotiators. Bajo fishermen should only provide information to other parties if the

information provides a strategic advantage in the form of money from selling seafood. Meanwhile, getting information from the other party to increase negotiating power is a good step. Distributive bargaining is essentially a competition over who will get the most limited resources, often money. Walton and Mckersie (1965), the ability of both parties to achieve goals will depend largely on the strategies and tactics used.

For most Bajo fishermen, distributive bargaining strategies and tactics are paramount in negotiations. The image that often emerges in the negotiation process is a room filled with cigarette smoke boisterous with people defending their opinions. Many people are attracted to this view of negotiation and look for ways to learn and sharpen their bargaining skills and some people get out of distributive bargaining and prefer to walk away instead of negotiating this way. They argue that distributive bargaining is archaic, confrontational, and destructive.

There are three reasons why negotiators of Bajo fishermen and local capitalists should be familiar with distributive bargaining. First, negotiators face situations of distributive interdependence, and to be successful in those situations they need to understand how it works. Second, because many people use distributive bargaining strategies and tactics exclusively and all negotiators need to understand how to deal with their effects. Third, any negotiation potentially requires distributive bargaining skills at the “claim-value” stage (Lax and Sebenius, 1986).

Integrative negotiation focuses on ways to create value, but also includes the claims stage, meaning that the value created is distributed. An understanding of distributive strategies and tactics is very important and useful, but neleyan Bajo negotiators and local capitalists need to know that these tactics can also be counterproductive, risky and may not pay off. This tactic often causes the negotiating parties to focus too much on their differences rather than what they have in common (Thompson and Hrebec (1996). However, these negative effects of distributive bargaining strategies and tactics are beneficial when Bajo fisherman negotiators and local capitalists want to maximize the value obtained in an agreement, when the relationship with the other party is unimportant, and when they are at the stage of claiming the value of the negotiation.

F. Strategy to Build Commitment Between Neleyan Bajo and Local Capitalists

The key concept in creating a bid position is commitment as a form of taking a bid position with some explicit or implicit agreement based on actions in future conditions. An example is a Bajo fisherman said to a local capitalist. "If we don't increase the price of seafood to our bid, we will exit next year looking for other buyers. "This action indicates the future bid position and promise of the negotiator if the position is not achieved. The purpose of commitment is to remove ambiguity about the purpose of the negotiator's actions. By making a commitment, a negotiator indicates his purpose for taking this action, making this decision, or achieving this goal—the negotiator says, “If you also achieve your target, we are likely to be in direct conflict; one of us will win, or neither of us will hit the target”. Commitments also reduce the other party's choices

so that they are designed to push the other party into a reduced choice portfolio and benefit both parties.

A commitment is often interpreted by the other party as a threat that if the other party does not comply or comply with it, some negative consequences will occur. Some commitments can be threatening, but others are simply statements of the intended action leaving the responsibility for avoiding mutual harm in the hands of the other party. Of course, Bajo fishermen and local capitalists are making bold and dramatic commitments. Commitment can also involve future promises, such as, “If we (fishermen) profit and you do the opposite, we will be willing to obey you (capitalist)”. From this statement, it is important that there are open spaces for negotiation within and between the Bajo fishing communities, so that local capitalists are not authoritarian in setting firm standards for the prices of fishermen's needs and marine products universally.

Because of their nature, commitment is a statement that usually requires a response in action. Bajo fisherman negotiators who state consequences (eg, with threats), and then fail to get what they want in the negotiations, will not be trusted in the future unless they act according to the consequences. What's more, Bajo fishermen and local capitalists will lose their self-image after not following the commitments that have been made in public. When a negotiator makes a commitment, then, there is a strong motivation to stick. Pruitt (1981), a commitment will often have a strong effect on what the other party considers possible.

1. Tactical Considerations in Using Commitments

Like many tools, commitment is double-edged and is always used to achieve the advantages described earlier, but it is also possible to improve a negotiator's ways. The commitments that have been built by Bajo fishermen and local capitalists exchange flexibly for certainty of action because there is a negative offer.

Switching positions may be desirable or necessary after making a commitment. For this reason, when a Bajo fisherman makes a commitment, he must make a contingency plan for a satisfactory ending. For the initial commitment to be effective, future contingency plans must be confidential.

Commitment may be useful as a negotiator, but the fisherman or capitalist will benefit from preventing the other party from committing. Furthermore, if the other party has to take a committed position, then it is to their advantage to keep one or more avenues open for him to get out of the commitment.

2. Establish Commitment

With strong and passionate statements, some of which are simply bluffs made during negotiations. Statements of commitment have three properties, namely high-level decisions, high-level

specifications, and clear consequences statements (Walton and McKewesie, 1965). Another way to strengthen a commitment between Bajo fishermen and local capitalists is to link up with one or two allies. Fishermen who are dissatisfied with management can form a committee to express their concerns. Fisher associations can join to set price standards. This variation of the process occurs when negotiators create conditions that make it more difficult for them to break the commitments they have made. For example, by encouraging dedicated local capitalists to stick to their stance on the prices of fishermen's catch.

3. Increase the Interest of Demand

There are many solutions that can be done to increase the importance of the commitment statement. If most bids and concessions are made orally by Bajo fishermen and local capitalists, they will note that statements may draw attention to these commitments. Bajo fishermen always make a threat, that there is a danger of local capitalists going too far by stating a very strong point that "You (capitalists) look weak or stupid and will never make long term gains because we will spread information that you are not worthy to be made as a buyer of marine products. Furthermore, excessively detailed statements undermine credibility and, on the other hand, simple and straightforward statements of requests, conditions and consequences are more effective.

Several things Bajo fishermen do to strengthen implicit or explicit threats in a commitment. One way is to review similar situations and their consequences. Another way is to make clear preparations to face the threat. Facing the possibility of a strike at sea and advising fishing members on methods of dealing with low incomes if a strike should occur. The other way is to create and overcome minor threats in the future, thereby leading others to believe that fishermen are so angry that they do not want to sell seafood to local capitalists.

4. Preventing Others from Committing Prematurely

All the advantages of a negotiator when committed, are often unplanned and can be detrimental to both parties. As a result, Bajo fishing negotiators and local capitalists must really pay attention to the extent to which the other party feels annoyed, angry, and loses patience. Good, strong, and calm commitments take time to make, the reasons for which have been discussed. One method of preventing the other party from making a committed position is to turn it down at the appropriate time. Another approach to preventing the other party from taking a committed position is to ignore or downplay the threat by not knowing the other party's commitment, or even by making jokes about it.

A Bajo fisherman negotiator will say, "You (capitalists) don't really mean that," or "I know you (capitalists) aren't really serious about raising prices as you please". However, there is time for negotiators to have an advantage. When the other party takes a relatively early position on an issue

in negotiation, it may be of great benefit to the negotiator to ensure that position, so that it will not change as the negotiation of other issues progresses. Bajo fisherman negotiators and local capitalists will address this situation in one of two ways: by identifying the importance of the commitment when it is made or by recording and keeping track of the other party's statement.

5. Finding Ways to Leave a Committed Position

Negotiators often want to get the other party out of a committed position, and often that party also wants a way out with a method: first, plan a way out. One method has been noted that when making commitments, negotiators must jointly plan their own way out. Bajo fishing negotiators and local capitalists can also reiterate a commitment to show that conditions have changed. Sometimes the information provided by the other party during negotiations can lead the negotiator to say, "By learning what I learned from you (fishermen) during this discussion, I see that I need to rethink my (capitalist) position before." The same can be done for the other party. The capitalist negotiator who wants to get the fisherman to leave a committed position without losing credibility, might say, "With what I (the capitalist) have told you about this situation or with the new information, I'm sure you (the fisherman) will see that your previous position is not. you're holding."

Sometimes, the last thing a negotiator wants to do is to embarrass the Bajo fisherman or to make a judgmental statement about a trade-off. Instead, the other party should be given every opportunity to retreat with honor and without losing face. Second, let it die quietly. The second way to leave a commitment is to let the problem die slowly. After the time has passed, the Bajo fisherman's negotiator can make a new proposal to the capitalist regarding shipping and fishing needs and the catch price regarding the commitment without mentioning the previous one. A variation of this process is to make a temporary step in a direction not previously included in the commitment.

A change in commitment may be known as an "innovative trial" to see if the new plan can be formally adopted. If the capitalist in responding to these two variations shows silence or verbal comments in the form of a willingness to let things move in that direction, then negotiations can go straight to development.

G. Perceptions, Cognitions, and Emotions Used for Framing Commitments Between Bajo Fishermen and Local Capitalists

Perception, cognition, and emotion are the basic building blocks of all social experience, including negotiation. In terms of social actions, Bajo fishermen and local capitalists are guided by their perspective, analysis, and feeling about other parties, situations, and their own interests and positions. Knowledge of how Bajo fishermen and local capitalists see the world around them,

process information, and experience emotions is important for understanding why people behave the way they do in negotiations.

The psychological perception of Bajo fishermen and local capitalists is related to the negotiation process, with particular attention to forms of perceptual distortion that can cause problems with understanding and making meaning for negotiators using information to make decisions about tactics and strategies as a form of cognition process.

Bajo fishing negotiators and local capitalists approach each situation guided by their perceptions of past situations and the attitudes and nature of the present. Their expectations of both parties' future actions and subsequent outcomes are based on a large amount of information gained through direct experience or observation.

Perceptions about the issue of the price of the catch are crucial for Bajo fishermen and local capitalists to understand and assign meaning to messages and events, including the state of mind, role, and understanding of the previous communication of the perceiver. In negotiations, the target of Bajo fishermen and local capitalists is to be achieved and interpreted with accuracy to all that is said and intended.

Perception is a complex physical and psychological endeavor. It is defined as “the process of screening, selecting, and interpreting stimulants, so that they have meaning for the individual” (Steers and Rhodes, 1978). Perception is a “taste-making” process, and people interpret their environment, so that they can respond appropriately. Typically, environments are complex because they represent a large number of varieties of stimulants, each with different properties, such as relative magnitude, color, shape, texture, and novelty. This complexity makes it impossible for the environment to process all the available information, so as perceivers we become selective, listening to some stimulants while ignoring others. This selective perception occurs in Bajo fishermen and local capitalists when negotiating through a number of perception “shortcuts”, which allow them to process information more readily. However, the resulting perceptual efficiency may override accuracy. Furthermore, Bajo fishermen and local capitalists turned to relevant forms of perceptual distortion, especially for negotiations for mutual benefit.

A key issue in perception and negotiation is framing as a subjective mechanism that Bajo fishermen use to evaluate and understand situations that lead them to achieve or avoid further actions in their favor. Framing helps to explain Bajo fishermen and local capitalists understand a series of events that are happening in the information of past experiences; framing and reframing, along with evaluations of information and position, “are tied to information processing, message patterns, linguistic cues, and socially constructed meanings” (Putnam and Holmer, 1992). Framing is about focusing, shaping, and organizing the world around us. It has to do with understanding complex realities and defining them in terms of meaning. Framing, in short, means that Bajo fishermen and local capitalists understand the event, or process and separate it from the complex world of economic competition around it.

The popular framing among Bajo fishermen and local capitalists can be considered as cognitive processes, decision making, persuasion, and communication. The importance of framing points from the fact that two or more people involved in the same situation or in a complex problem often perceive or interpret it in different ways (Thompson, 1998). Because Bajo fishermen and local capitalists have different backgrounds, experiences, expectations, and needs, they group people, events and processes differently. What's more, these framings can change depending on the perspective, or they can change over time. Actions that begin as games mark a great opportunity for Bajo fishermen and local capitalists to take.

Framing is important in negotiations because conflicts are often unclear and open to different interpretations as a result of different backgrounds, personal journeys, and past experiences of a person. Frames are a way of labeling different interpretations of individual situations. Negotiations between Bajo fishermen and local capitalists observed that the parties who came to a joint agreement reached unity not by giving up but being present in the preferences and priorities of marine products to be sold by Bajo fishermen and bought by local capitalists.

H. DISCUSSION

Research on negotiation basically finds very diverse explanations, namely: (Nurjanah, 2015), the role of persuasive communication carried out by the government in conflict resolution efforts through persuasive communication, namely by negotiation, mediation, facilitation and diplomacy, confrontational. Mohammad Fadhli Ikhsan (2015) say that lobbying and negotiation techniques will increase their benefits and effectiveness if their use is well collaborated using communication. Ardianto (2020), forms of communication activities in the negotiation process are constructing narratives, deciding negotiation tactics, and managing interactions with constituents. Rosdiani (2021) in making a decision, of course, in lobbying and negotiating, collaboration between the fishing parties involved is needed so that in the end an agreement is created that is mutually beneficial to both parties.

By reviewing previously published research, the results of this study show that this research is very different because the negotiations carried out by Bajo fishermen with local capitalists tend to lead to negotiations that are fluid and full of interests involving the principle of interdependence, distributive bargaining about the results. catch fishermen and build commitment explicitly based on perceptions, cognitions, and emotions about the problems at hand.

I. Conclusion

The negotiations carried out by Bajo fishermen and local capitalists were based on their concern for the potential for unfavorable conflicts. The negotiations carried out have specific results they want to achieve that focus on strategy, tactics, and communication to get the desired results. The

negotiator tries to make sure that his basic interests, needs, and concerns about failure are properly addressed.

The frame of characterization between Bajo fishermen and local capitalists can be clearly shaped by experiences with other parties, with information about the history or reputation of both parties. The win-lose principle is also applied during negotiations, because basically, Bajo fishermen and local capitalists both want to make a profit and achieve prosperity with various different methods, namely fishermen looking for marine products and capitalists buying and reselling marine products from fishermen.

Although negotiations have been carried out in a normative manner, there are many potential problems that can arise related to the recognition and representation of various groups of fishermen who are not involved in the negotiations. However, with the open space for negotiations carried out by some Bajo fishermen and local capitalists, they have been able to find ideas about the common good for solving common problems, and displaying a balanced and constructive social reality.

REFERENCES

- Anggi Niasar. (2020). Strategi Lobi dan Negosiasi Proses Legislasi Undang-undang Pemberantasan Tindak Pidana Terorisme. *Jurnal InterAct*, 9(1), 51–59. <https://ejournal.atmajaya.ac.id/index.php/interact/article/view/1710>
- Arifin, Ansar., Haslinda B. Anriani., & Harifuddin Halim, R. Z. & I. S. W. (2019). Strengthening Food Security Institution of Poverty of Fishermen in Indonesia. *ICONEG*, 474–478. <https://eudl.eu/doi/10.4108/eai.25-10-2019.2300556>
- Ardianto., Guntur F Prisant., Irwansyah., Niken Febrina Ernungtyas., & S. H. (2020). Praktik Lobi dan Negosiasi oleh Legislator Sebagai Bentuk Komunikasi Politik. *Komuniti. Jurnal Komunikasi Dan Teknologi Informasi*, 12(1), 25–39. <https://journals.ums.ac.id/index.php/komuniti/article/view/10009>
- Khairunnisa Rosdiani., Bimantara Krisna., Muhamad Ivan Hidayatullah., & D. S. (2021). Strategi Lobi Dan Negosiasi Pembangunan Sekolah Di Utara, Kampung Baru Nelayan, Cilincing Rt 07/ Rw 08 Jakarta Utara. *Komuniti: Jurnal Komunikasi Dan Teknologi Informasi*, 13(2). <https://journals.ums.ac.id/index.php/komuniti/article/view/14753>
- Lampe, Muni., Hardianti Muni & Luran, N. F. (2020). Development phases and socio-cultural contexts of the reef-based fishing economy of the Sembilan Islands community, South Sulawesi, Indonesia. *AAFL Bioflux*, 13(2), 459–469. <https://www.cabdirect.org/cabdirect/abstract/20203142534>
- Leigh Thompson., & D. H. (1996). Lose-Lose Agreements in Interdependent Decision Making. *Psychological Bulletin*, 120(3), 396–409. <https://psycnet.apa.org/record/1996-01405-004>

- Linda L Putnam., & M., & Holmer. (1992). Framing, reframing, and issue development. *Sage Publications*, 128–155. <https://doi.org/https://dx.doi.org/10.4135/9781483325880.n7>.
- Mohammad Fadhli Ikhsan., & S. A. M. (2015). Komunikasi Public Relations Dalam Implementasi Teknik Lobi Dan Negosiasi Pada Kegiatan Eksternal Telkom Foundation. *E-Proceedings of Management*, 2(1), 934–951. <https://openlibrarypublications.telkomuniversity.ac.id/index.php/management/article/view/3394>
- Nurjanah. (2015). Peran Komunikasi Persuasif Dalam Penyelesaian Konflik Antara Nelayan. *Jurnal Ilmu Komunikasi*, 6(2), 113–190. <https://jkms.ejournal.unri.ac.id/index.php/JKMS/article/view/3343>
- Pruitt, D. G. (1981). *Negotiation Behavior*. Academic Press.
- Richard E. Walton., & R. B. M. (1965). *A Behavioral Theory of Labor Negotiations: An Analysis of a Social Interaction System*. McGraw-Hill.
- Roy J. Lewicki., Bruce Barry., & D. M. S. (2012). *Negoisasi*. Salemba.
- Saorín-Iborra., & M. C. (2008). Time pressure in acquisition negotiations: Its determinants and effects on parties' negotiation behaviour choice. *International Business Review*, 17(3), 285–309. <https://www.sciencedirect.com/science/article/abs/pii/S0969593107001424>
- Scott, J. C. (1990). *Domination and the Arts of Resistance*. Yale University Press.
- Sebenius, David A. Lax., & J. K. (1986). Interests: The Measure of Negotiation. *Negotiation Journal*, 2(1), 73–92. <https://onlinelibrary.wiley.com/doi/10.1111/j.1571-9979.1986.tb00339.x>
- Steers, R. M., & Rhodes, S. R. (1978). Major influences on employee attendance: A process model. *Journal of Applied Psychology*, 63(4), 391–407. <https://psycnet.apa.org/doiLanding?doi=10.1037%2F0021-9010.63.4.391>
- Tahara, T. (2021). The Business Network Of Bajau Tribe Sea Fisheries On The Indonesia-Malaysia Border. *Academy of Entrepreneurship Journal*, 27(1–8).
- Thompson, R. A. (1998). Emotional competence and the development of self. *Psychological Inquiry*, 9(4), 308–309. https://www.tandfonline.com/doi/abs/10.1207/s15327965pli0904_14

PART II: INTERNATIONAL BUSINESS & CONSUMER BEHAVIOR

FACTORS INFLUENCING THE REPURCHASE INTENTION OF ONLINE COACH TICKETS IN MALAYSIA

Alisha Ismail¹ & Jerri Adrian Sudirman²
School of International Studies, Universiti Utara Malaysia
Email: alisha@uum.edu.my¹ & andrianjerri@gmail.com²

Abstract: This research paper aims to examine the effects of the Prior experience, e-trust, e-satisfaction, website quality and e-word of mouth of consumers in Kubang Pasu. Data were collected through non-probability sampling and analysing by using SPSS version 26. The findings indicate that Prior experience, E-satisfaction, website quality and e-trust are the significant predictor of repurchase intention.

Keywords: Repurchase intention, Prior experience, E-satisfaction, Website quality and e-trust.

INTRODUCTION

In the past two decades, the pattern of online shopping among consumers has improved significantly. Compared to conventional shopping methods where customers consider their available options through physical interactions. More than 26 million Malaysians are using the internet today. Malaysians spent their money to travel with an online ticketing platform. More than six out of ten Malaysian consumers purchase tickets, event tickets, hotels, and tour bookings online. For most Malaysians, using public transportation as their primary mode of transportation to their intended location is still an option. Kuala Lumpur, Johor Bahru, and Penang, frequently have trouble getting bus tickets. Online ticketing or E-ticketing is the most popular e-commerce globally.

LITERATURE REVIEW

Five main factors are found in the literature that could influence the decision of buyers to proceed with the purchase of the online coach in Malaysia, in particular buyers in the northern area. Such factors are prior experience, electronic satisfaction, website quality, electronic trust, and electronic word of mouth. To support the relationships of those factors with the repurchase intention of the buyers toward the online coach ticket, a theory of planned behaviour is applied. In addition, the hypotheses development of the relationships is synthesized to show in what way the identified factors have influenced the decision of the buyers to keep coming back to purchase the coach tickets by using online platforms. Five hypotheses are developed after going through the extensive literature. These relationships can be demonstrated in the form of a theoretical framework as follow:

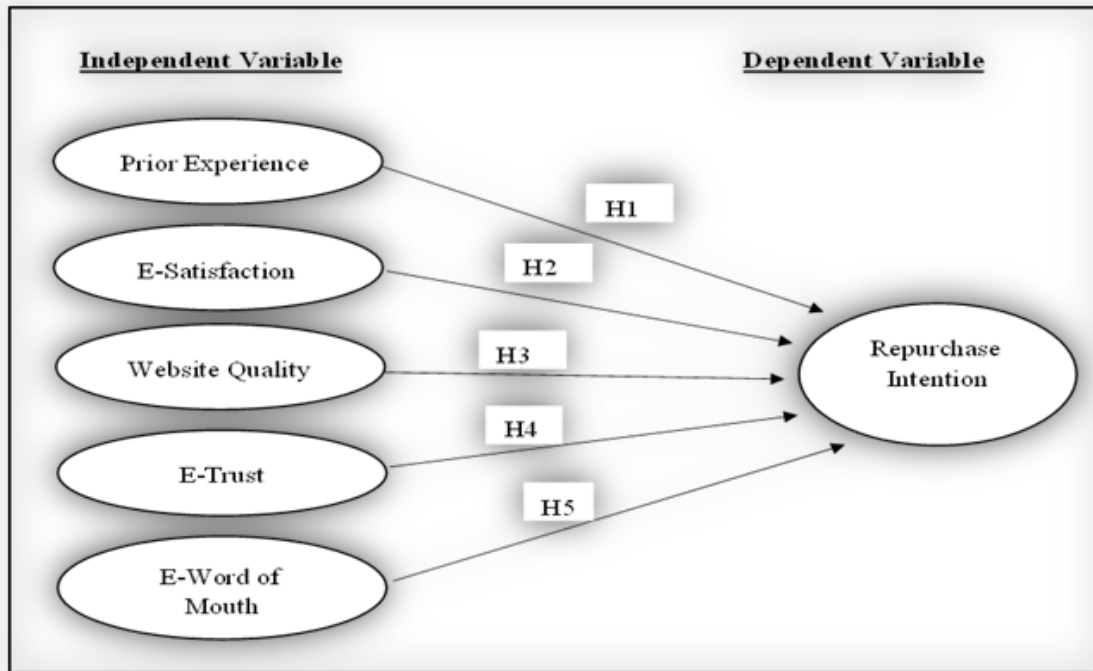


Figure 1: Theoretical Framework

METHODOLOGY

The quantitative method was used in this study to measure the research design in this study. The sampling size for this study is 384 sample size is in line with the suggestion made by the rules of Meyer (1979), Fox, Hunn & Mathers (2007). In this study, non-probability and convenience sampling methods are applied.

RESULT

From the literature, five important factors influence the bus user to repurchase tickets online viz. Prior experience, e-trust, e-satisfaction, e-word of mouth and website quality. However, through the factor analysis, the factor of e-word of mouth had to be removed due to low factor loading which is less than 0.70. This indicates that only four factors are considered in this study. Through the regression analysis, three of the factors have a significant relationship to the online repurchase activity viz. prior experience, e-satisfaction and website quality. Meanwhile, the factor of e-trust is found to negatively influence the decision of consumers to return to buying the coach ticket via online platforms. Of the factors that influence the repurchase of an online bus ticket, it is found that prior experience is the most significant factor that influences the decision of the consumers.

| Hypotheses | Indicators | | | Result |
|---|----------------------------------|----------|------------------|---------------|
| | <i>Standardized coefficients</i> | <i>t</i> | <i>Sig. beta</i> | |
| H1: Prior Experience – Repurchase intention | .368 | 6.443 | .000 | Supported |
| H2: E-Satisfaction – Repurchase Intention | .206 | 3.364 | .001 | Supported |
| H3: Website Quality – Repurchase Intention | .304 | 5.382 | .000 | Supported |
| H4: E-Trust – Repurchase Intention | -.023 | -.435 | .664 | Not Supported |

Table 1: Results of the study

DISCUSSION

The study outcome showed that there was a positive correlation between independent variables and dependent variables. It may be necessary to improve some of the measurements of the questions to predict repurchase intention accurately. In addition, some elements of the e-trust had to be highlighted in the future to examine thoroughly repurchase intention.

CONCLUSIONS

This study will help future, and present researchers understand different dimensions of independent variables to affect online repurchase intention. This study has produced some of the impacts that would attract attention to the online platform, bus agencies, educators, and students.

REFERENCES

- Meyer, J.T. (1979). *Fundamental Research Statistics for the Behavioral Sciences*. New York: Holt Rinehart & Winston
- Fox, N.; Hunn, A. & Mathers, N. (2007). *Sampling and Sample Size Calculation*. The NIHR RDS for the East Midlands / Yorkshire & the Humber.

THE INFLUENCE OF MASCULINE VS FEMININE ON CONSUMPTION BEHAVIOUR

Wan-Nurisma Ayu Wan-Ismael
Department of International Business,
School of International Studies (SoIS),
Universiti Utara Malaysia,
Corresponding author's email: nurisma@uum.edu.my

Abstract: This research is try to understand the influence of cultural value and consumption behaviour among Gen Y consumer in Malaysia. Gen Y consumers are becoming an interest of researchers but not much information is reflecting with this generation where they have different attitude and preferences in consumption behaviour compared to the previous generation. The study attempts to understand the cultural value of Gen Y consumers particularly on the specific dimension of masculinity vs. femininity. A convenience sample of 275 university students were used to assess the influence of this value on conspicuous consumption behaviour. Findings has shown that this dimension (femininity vs. masculinity) play a significant role on conspicuous consumption behaviour.

KEYWORDS: Generation Y; Conspicuous Consumption; Masculinity; Femininity; Values; Culture

INTRODUCTION

Gender study had become an interest by most of the researchers from various areas since it was popularized by Deborah & Tannen (1990). Scholar have characterized the gender based on the way of thinking, feeling and behaviour. Hofstede has proposed several dimensions that include the role of gender in his dimension such as masculinity and femininity dimension in order to understand the role of culture in the workplace. Hofstede have discussed masculinity/ femininity dimension related to the gender roles where it can be referred as a “gender culture” (Hofstede (1989, 1998).

Gender culture also can be associated with consumption where there are differences between gender in consumption behaviour and how they impact on activities of buying and consuming products. In relation to that, the objective of this study is to understand the impact of this dimension of masculinity and femininity towards conspicuous consumption behaviour and how it impacts the purchasing of foreign goods.

Masculinity - Femininity

Masculinity-femininity refers to the degree of differentiation between male and female roles in the society; it can be associated with the culture of “tough” or “tender.” Masculine-oriented cultures values assertiveness and independence and put more emphasis on the acquisition of money and material things. They have strong work motivation and willing to sacrifice their personal life and live with high job-related stress.

In contrast with feminine-oriented cultures where it more “tender,” and values politeness and caring for others. Feminine-oriented people are more concerned with the relationships toward others and caring for others’ wellbeing. They will not sacrifice their personal life for their work and prefer to do their tasks peacefully without any stress (Hofstede, 2001).

Masculinity-Femininity and Conspicuous Consumption

Conspicuous consumption was first discussed by Thorstein Veblen (1899) in his book *The Theory of Leisure Class*. Thorstein Veblen, an economist, and sociologist, introduced the term "conspicuous consumption" in order to describe the behavioural characteristics of the accumulation of wealth during the Second Industrial Revolution (1867-1914) where people bought high prestige goods in order to express their status in society. Veblen (1899) stated that affluent Americans were spending their wealth on unimportant things for the purpose of impressing others (Chaudhuri & Majumdar, 2006).

In the field of marketing, conspicuous consumption is normally associated with the purchase of status and luxury goods (Chaudhuri & Majumdar, 2006) and the conspicuous consumption has (Podoshen & Andrzejewski, 2012).

This study is trying to understand the relationship of consumer with masculine culture versus consumer with feminine culture towards foreign goods. In this study, foreign good is associated with luxury goods. For masculine-oriented consumers they tend to use confrontational solutions while feminine-oriented consumers prefer harmony-enhancing solutions in the decision of buying foreign goods (Yoo & Donthu, 2005). Masculine-oriented people tend to listen to only one side of an issue, normally the negative side, especially with regards to foreign goods. In contrast, feminine-oriented people will listen to both sides of an issue or question and try to find the positive side of a product such as quality, variety, and accessibility. Feminine-oriented people try to find harmonious solutions in a crisis situation. They also tend to show greater acceptance of imported goods, even they may prefer homemade goods.

Masculine-oriented people are status seekers. They purchase status goods more frequently because they think that status goods will highlight their achievement and success in life. They also tend to buy jewelry and expensive product even for their home. They also wore expensive watches. Masculine-oriented people more often preferred to buy foreign goods because they believe that owing foreign product is a way to show off (Hofstede, 2001). In a masculine culture, symbols of

status are very important because people can use them as a measurement of success, achievement, and performance both in life and in work. Therefore, masculine-oriented people tend to be conspicuous because prefer wearing very expensive product to show off their status and they believe that status can be used to express one's success and position in society (De Mooij, 2004). Malaysian consumers were identified as having a feminine-oriented culture with an index of 50 score based on Hofstede's country index. Therefore, consumers in Malaysia should prefer domestic goods rather than foreign goods. However, studies have shown that Generation Y consumers in Malaysia are more accepting of branded goods, especially imported branded apparel (Fernandez, 2009). Therefore, the hypothesis is suggested as follows:

H1: *Masculinity is positively related to conspicuous consumption*

DATA COLLECTION

In this study, probability sampling – specifically cluster sampling – was used to randomly select the sample. In cluster sampling, members of the population are divided into unique and non-overlapping groups referred to as clusters. This technique is frequently used in grouping samples such as by schools, households, or geographic units. The choice of method was also made based on the objectives of study.

The population (i.e., all Generation Y college students) consists of students at private universities and public universities. The population for this study is college students from private universities. Members of the population were next grouped based on the classes for which they were registered. The choice of class for this study was a university core subject, meaning that the class included first year students to final year students. Students were also from many different academic degree programs, such as marketing, fashion, engineering, science stream and culinary arts. This cluster of class, then randomly selected and each member of the cluster are included in the sample.

The self-administered questionnaire took approximately 20 to 30 minutes to complete. All data were collected at Klang Valley where the surveys were distributed to students at four private universities located in the Subang Jaya, Sunway, and Petaling Jaya areas (Taylor's University Lake Side Campus, Taylor's College, INTI International University College).

A total of 300 participants from the university completed the self-administered questionnaire. After elimination of unacceptable or incomplete surveys the final sample consisted of 262 usable surveys.

Multiple Regression Analysis Masculinity-Femininity

Multiple regression analysis for cultural values resulted in an R^2 value of 0.095, indicating that these four factors account for approximately 9.5% of the variance in the dependent variable. The adjusted R^2 value was 0.081. ,

Table 1: Regression analysis of masculinity to conspicuous consumption

| | B-values | Standard Error | Beta | Adjusted R² | t-value | Sig. |
|-------------|-----------------|-----------------------|-------------|-------------------------------|----------------|-------------|
| Masculinity | 0.601 | 0.183 | 0.208 | 0.081 | 3.275 | 0.001 |

As shown in Table 1, masculinity-femininity ($p = 0.001$, $\beta = 0.208$, $t = 3.275$) was significant with $p \leq 0.05$, indicating these two factors are good predictors of and have a positive effect on conspicuous consumption. Thus, H1 is supported

RESULT AND DISCUSSION

The results of the analysis do support the expected positive link between masculinity and conspicuous consumption. In masculine societies, performance and achievement are very important. This importance extends to the acquisition and possession of material goods and wealth. Masculine-oriented people seek for status brands or goods as a mechanism for showing off their achievements; these goods convey the message that they are successful both personally and professionally. This finding is consistent with previous studies such as Hofstede (2001) and De Mooij (2004), which showed that masculine societies tend to focus on wealth and acquisition of money and possession of conspicuous goods. The significant relationship indicates that masculine society places more value on foreign goods than on domestic ones. Studies have shown that foreign goods are related to conspicuous consumption (Batra and Indrajit, 2000; Markus and Kitayama, 1991). In addition, previous research has shown that consumers in developing countries tend to perceive imported or foreign product as status symbols because these goods are strongly related to conspicuous consumption.

However, this study's findings challenge the traditional view as explained by Hofstede (1980), in which Malaysian culture is more feminine than masculine, making them patriotic about purchasing local goods. Since they are highly sentimental about local goods, they are naturally not interested in foreign goods and thus will not engage in conspicuous consumption of them. The findings of this study clearly portray a different situation. Based on this study's findings, it appears that the cultural values of Malaysians, especially Malaysia's private college-aged Generation Y, are show moderate level of masculinity. They are more concerned with explicit, tangible ways of demonstrating or displaying their performance and achievement. They also tend to be status seekers and are eager to buy luxury goods. Such a finding is a true reflection of Malaysia's private college-aged Generation Y, and is supported by Taylor and Cosenza (2002) who found that Generation Y normally prefer to buy branded and luxury goods. They are also willing to pay higher prices for branded goods and are likely to engage in conspicuous consumption (Eadie et al., 1999). Hence, this study confirms that Malaysia's private college-aged Generation Y are likely to exhibit masculine values in the context of consumer culture, especially conspicuous consumption.

CONCLUSION

Based on this study's findings, it appears that the cultural values of Malaysians, especially Malaysia's private college-aged Generation Y, are show moderate level of masculinity. They are more concerned with explicit, tangible ways of demonstrating or displaying their performance and achievement. They also tend to be status seekers and are eager to buy luxury goods. Such a finding is a true reflection of Malaysia's private college-aged Generation Y, and is supported by Taylor and Cosenza (2002) who found that Generation Y normally prefer to buy branded and luxury goods. They are also willing to pay higher prices for branded goods and are likely to engage in conspicuous consumption (Eadie et al., 1999). Hence, this study confirms that Malaysia's private college-aged Generation Y are likely to exhibit masculine values in the context of consumer culture, especially conspicuous consumption

REFERENCES.

- Batra, R. & Indrajit, S. (2000). "Consumer-level factors moderating the success of private label brands". *Journal of Retailing*, Vol.76, pp.174-191.
- Fernandez, P. R. (2009). Impact of Branding on Gen Y ' s Choice of Clothing. *The Journal of the South East Asia Research*, 1(1), 79–95.
- De Mooij, M. (2004). *Consumer behavior and culture: Consequences for global marketing and advertising*. Thousand Oaks, CA: Sage
- Hofstede, G. (2001). *Culture's consequences: International differences in work-related values*. 2nd Ed. Thousand Oaks: Sage Publication.
- Hofstede, G 1984. *Culture's consequences: International Differences in Work-Related Values*. London: Sage Publications.
- Markus, H. R. & Kitayama,S. (1991). Culture and the self: implications for cognition, emotion and motivation. *Psychological Review*, Vol. 98, 224-253.
- Palan, K. M. (2001). Gender Identity in Vonsumer Behavior Research: A Literature Review and Research Agenda. *Academy of Marketing Science Review*, Vol.10.
- Spence, J. T. (1984). "Masculinity, Feminity and Gender-Related Traits: A conceptual analysis and critique of current research." *Progress in Experimental Personality Research*, Vol.13, pp.1-97.
- Taylor, S. L., & Cosenza, R. M. (2002). Profiling later aged female teens: mall shopping behavior and clothing choice. *Journal of Consumer Marketing*, 19(5), 393–408.
- Yoo, B. & Donthu, N. (2005). The effect of marketing education and individual cultural values on marketing ethics of students. *Journal of Marketing Education*, Vol.24 (2). 92-103.

EXPLORING THE ONLINE SHOPPING BEHAVIOR IN PAKISTAN:

A LITERATURE REVIEW

Hafiz Abdul Samee, Malik
School of International Studies,
Universiti Utara Malaysia
Email: sami.uum.my@gmail.com

Wan-Nurisma Ayu, Wan-Ismail
Department of International Business,
College of Law Government and International Studies,
Universiti Utara Malaysia, Sintok, Malaysia
Email: nurisma@uum.edu.my

Abstract: The purpose of this paper is to review existing literature on the emerging phenomenon of consumer online shopping behavior in the context of Pakistan. Online shopping first appeared two decades ago, but many consumers are still hesitating to adopt it. Based on the thorough literature review, it was found that ease of use, perceived risk, trust, attitude, and online purchase intention are the most highlighted factors in the e-commerce industry of Pakistan. In addition, theory of planned behavior and technology acceptance model, were found to be the most frequently used theories for explaining the phenomenon. Further exploration of consumer online shopping behavior is needed to better comprehend this concept in terms of industry, methodology and theory. Luxury, wholesale, tourism and mobile commerce sectors that have been neglected in past research could be explored in future studies in Pakistan.

Keywords: Online shopping, luxury, consumer behavior, e-commerce.

INTRODUCTION

Online Shopping Behavior

The act of buying goods or services online is referred to as online shopping behavior (Liang & Lai, 2000). The achievement of primary goals of an enterprise is highly dependent upon consumer shopping behavior (Kim et al., 2018; Dai, 2012; Choshin & Ghaffari, 2017; Svatosova, 2020). Online retailers allow customers to buy from a vast variety of articles at any time. Customers are becoming increasingly connected, conversant, avouch and vigorous in this age of digitization

where everything is linked to the internet (Lamberton and Stephen, 2016). Creating and personalizing the goods, as well as assisting others by writing product reviews through utilization of digital technology, users may now add value to the system (Grönroos and Voima, 2013).

Due to the COVID-19 pandemic, when the pace of change is quicker than normal, online shopping has seen significant growth as compared to previous years (Al Mashalah et al., 2022). However, depending on the demographics of consumers, it is anticipated that online shopping behavior would vary from one country to other (Bellman et al., 1999). It is widely acknowledged that the internet buying trend is spacious in advanced countries versus the early stages of development in underdeveloped nations (Faqih, 2022). There are numerous barriers in developing countries that substantially impede the expansion of online shopping (Alyoubi, 2015). Consequently, many consumers are hesitant to shop online, and compared to advanced countries, online shopping behavior in these countries is not growing. Therefore, it is crucial to focus more on comprehending the elements impacting consumers' online purchasing behavior in the context of developing countries.

Pakistan is one of the developing countries facing disinclination of consumers towards online shopping (Agren & Barbutiu, 2018). The country is floundering to move towards a digital economy (Saleem et al., 2022). In August 2022, there were 120 million 3G/4G subscribers in the country (Pakistan Telecommunication Authority [PTA], 2022). However, volume of online shopping is least as compared to neighboring countries (United Nations Conference on Trade and Development [UNCTAD], 2019). E-commerce in Pakistan was launched in 2001 (Dawood, 2019). But the majority of Pakistanis approach online buying with a lack of trust mindset (Shah, 2021). Therefore, online shopping behavior is not developing rapidly in the country. Nevertheless, entry of Alibaba (Bokhari, 2018) and recently, Amazon registered countries list status can accelerate online shopping in Pakistan (Imran, 2021). Therefore, government of Pakistan is now more concerned about e-commerce development in the country which can significantly contribute to economy (Ministry of Information Technology & Telecommunication [MITT], 2022).

Several scholars have contributed to the literature on the phenomenon of consumer online shopping behavior in Pakistan over the period of two-decades through numerous studies and recommendations. However, so far, literature reviews are scarce in the context of Pakistan that could suggest future research agenda for the enduring issue of lower consumer online shopping behavior. Therefore, the current study is an effort to review all existing literature on consumer online shopping behavior from Pakistan to pin down what has been done and what could be proposed next. Additionally, the present study will also aid to identify the determinants and the areas which require further studies because the impact of lower consumer behavior is impacting every single e-commerce business in the country.

The preliminary analysis of the studies on consumer online shopping behavior revealed that there has been extensive research on this topic. Although literature reviews of traditional in store shopping behavior are frequent, consolidating the current information in the context of internet

purchasing behavior in Pakistan has not received much attention. Considering the significance of this research area to society and industry, to summarize research results, pinpoint research possibilities and gaps, and suggest future research avenues, a literature review of prior studies on online purchasing behavior was necessary.

The goal of this study is to give a comprehensive analysis of all the empirical research published in Pakistan that focuses on the factors that influence consumers' intention to purchase online and actual behavior inside the country. To pinpoint the precise reasons for Pakistani consumers' disinclination towards online buying, the antecedents mentioned in the prior research are investigated, along with facts. The nature of current study is descriptive, and it is based on secondary information gathered from various online sources and research journals. Conceptual studies and those having gaps in the data, such as those gathered from publications sources, are excluded. Therefore, only empirical studies are utilized in the present study.

Literature Review

The literature presented in this section contains numerous studies carried out in Pakistan which recognize the most significant factors of consumer online shopping behavior. Furthermore, B2C e-commerce sector was investigated to determine the factors behind lower online shopping behavior in the country. Table 1 provides a general summary of the literature.

Babar et al. (2014) carried out a study on factors influencing online shopping behavior of consumers in Pakistan founding that financial risk, usefulness, ease of use and attitude are fundamental factors that influence consumers' behavior to utilize internet as a purchasing medium. Usefulness was discovered as the standout predictor of attitude toward online purchasing among these four determinants. However, compared to usefulness, financial risk and ease of use did not have a significant impact on attitude towards online shopping. Qureshi et al. (2014) showed that high perceived risk is the most crucial and significant factor as compared to all other factors. The adoption of internet purchasing is more challenging for female consumers who have lesser income, and lower levels of education. Additionally, it has been discovered that barriers are higher for customers who have never done any online shopping.

Akhlaq and Ahmed (2015) demonstrated that ease of use, perceived usefulness, perceived risk, distrust, legal framework and perceived enjoyment were independent predictors of intention to buy online. Likewise, they carried out another study on genders differences among online shopping factors in Pakistan in 2016, founding that gender is an important consumer demographic to identify the perception of online shopping behavior. In their research, gender differences were found to be statistically substantial among online shopping factors in Pakistan. Men and women varied significantly by legal framework and perceived enjoyment observing that eastern women found online shopping amusing, which allows them to be pleased with shopping activities within a secure virtual setting.

Tariq et al. (2016) investigated factors impacting consumer online shopping behavior including convenience, financial risk, non-delivery risk, product risk and return policies. Online buying behavior was negatively impacted by the risk of losing money and financial information. Risk considerations related to the product and convenience were crucial and significant reasons why internet shopping was avoided. Furthermore, Haider and Nasir (2016) posited that non-delivery risk and financial risk have negative impact on attitude toward online shopping. Likewise, online shopping behavior was negatively impacted by convenience risk. Similarly, product risk affected online shopping behavior negatively. Consumers' online shopping behavior was positively impacted by return policies.

Malik et al. (2017) carried out their study to investigate the online shopping inventory issues and its impact on consumer shopping behavior founding that online purchasing behavior in Pakistan has significantly declined as a result of a higher rate of inventory problems. Kouser et al. (2018) pointed out that trust in e-commerce social websites and website quality are positively associated with online buying intention. Online shoppers' attitudes were a partial mediating factor for the correlation. E-retailers must improve the website's quality features and increase consumer trust in order to boost online purchasing.

Rahman et al. (2018) highlighted that more than hedonic values, trust, and privacy concerns, utilitarian values positively impact consumers' attitudes to online purchasing. Consequently, consumers' attitudes positively affect their online buying intentions. Their findings indicated that Pakistani consumers purchase online for self-assertive reasons and not unexpectedly. In addition, due to concerns regarding data protection and trust, individuals feel insecure when they shop online. Likewise, Qayyum et al. (2018) found that people in Pakistan are drawn to the e-websites of stores because of its aesthetics. In their study, key issues acknowledged were the security concerns and reliability. Most people were reluctant to divulge their financial and personal information online.

Saleem et al. (2018) pointed out that the main reasons for choosing online groceries as the primary source of shopping seemed to be a lack of variety and expensive goods. Bhatti et al. (2018) identified convenience risk and perceived risk are significantly and negatively associated with online shopping. Attitude was significantly and positively associated with online shopping. Product risk was insignificantly associated with online shopping. Moreover, attitude significantly moderated the relationship amid convenience risk, product risk, and online shopping. In contrast, attitude did not significantly moderate the relationship between online shopping and perceived risk. Similarly, in another study in 2019, they posited that online shopping behavior is significantly and negatively influenced by privacy risk. Likewise, product risk negatively and significantly influences consumer online shopping behavior. Furthermore, convenience risk has negative but insignificant effect on consumer online shopping behavior.

In their research, Aslam et al. (2019) found that while confirmation does not affect user satisfaction, it does have an impact on perceived usefulness. Although user satisfaction does not

guarantee continuous intention, perceived usefulness had a significant impact on both user satisfaction and continuous intention. Likewise, brand loyalty is influenced by the user's satisfaction as well as continuous intention. The study also found variances in consumer behavior based on prior online shopping experience and gender. Moreover, for Pakistani consumers, confirmation did not result in satisfaction.

Abdullah et al. (2020) examined the impacts of COVID-19 on travel behavior and mode preferences founding that mode choice, trip purpose, distance traveled, and frequency of trips for the primary travel were significantly diverse before and during the pandemic. During the pandemic, most trips were undertaken for shopping. A major transition occurred from public transportation to private transportation and non-motorized modes. While selecting a mode during the pandemic, people gave pandemic-related issues a higher importance than concerns of a more general nature. During COVID19, it was discovered that pandemic-related underlying factors, gender, car ownership, employment status, travel distance and the major purpose of traveling were all significant predictors of mode choice.

Bhatti et al. (2020) investigated the moderated role of trust on consumer online shopping behavior founding that privacy risk, financial risk and product risk significantly decline consumer online shopping behavior. Online shopping behavior was considerably improved by trust. Moreover, trust acted as a moderator between online shopping behavior and product risk, privacy risk and convenience risk. Furthermore, Anwar et al. (2020) found that when compared to slow tempo music and warm colors, cool colors and fast tempo music demonstrated higher degrees of arousal and pleasure. In addition, it was discovered that arousal and enjoyment were important factors in predicting behavioral intention. While listening to fast music in a cool environment, respondents behaved more approachably than listening to slow music in a warm setting.

Ali et al. (2020) carried out their study on consumer adoption of online food delivery services founding that the likelihood of adoption was positively influenced by optimism and creativity. However, while using online food delivery services, adoption intentions were negatively impacted by discomfort and insecurity. Additionally, it was established that external factors, such as the COVID-19 pandemic, had a moderating effect. Moreover, effects of optimism and innovativeness were more prominent in demographic factors, i.e., male, young, high education and high income etc. On the other hand, the consequences of discomfort and insecurity were stronger for the opposite i.e., female, elder, low education and low income etc.

Hassan et al. (2021) found that the primary factor that affects consumer repurchase intention is the website functionalities. It enables them to successfully and quickly conclude their purchasing process. Nonetheless, perceived enjoyment, a non-functional aspect, has also been identified as a key factor in motivating customers to make repeat purchases. Hence, in order to retain customers, internet retailers must consider hedonic elements in addition to website functionality.

Mahmood et al. (2021) conducted a study on women online shopping behavior in Pakistan founding that women have good to average level digital information literacy skills. However, when

using complex search options, they lacked confidence. Women's online buying behavior was found to be strongly predicted by their digital information literacy, underscoring the significance of such skills in contemporary life. Moreover, women tended to avoid online shopping and resisted using their credit or debit cards for purchases.

Hanif et al. (2021) carried out research on young Pakistani consumers founding a significant moderating effect of structural assurance and prior shopping experience on the association amid mobile shopping intentions, trust, and perceived risk. Moreover, in terms of structural assurance, perceived risk, social influence and trust, there were substantial differences between the male and female mobile shopping tendencies. Likewise, Rehman et al. (2022) found that the quality of the online buying experience affects e-commerce drivers. In addition, e-commerce drivers lead to e-shopping acceptance and intention. Furthermore, offline brand trust moderated the association between the factors that influence online shopping and online shopping intention.

Ahmad et al. (2022) established that consumer engagement and loyalty were both significantly impacted by online customer experience (measured as purchasing process, shopping environment, product experience and staff service experience). The relationship between consumer engagement and online consumer experience was reinforced by the value co-creation.

Likewise, Bano et al. (2022) carried out a study in the context of online retailing founding that consumer patronage and privacy concerns were significantly and positively correlated with government regulations. Privacy concerns was found to have a substantial negative link with organizational ethical care whereas consumer patronage was found to have a significant positive association with organizational ethical care. Moreover, a substantial negative association between customer patronage and privacy concerns was also pointed out. Furthermore, the connection between customer patronage and government regulations was mediated by privacy concerns, whereas privacy concerns did not mediate the association amid customer patronage and organizational ethical care.

Recently, Saleem et al. (2022) carried out a study on motives towards e-shopping adoption in Pakistan founding important factors such as perceived awareness of security, personal innovativeness, perceived usefulness and perceived ease of use in the purchasing process, together with effects of these factors on online buying intentions and the mediating role of consumer attitudes toward online shopping. The results exhibited that the factors were significantly and positively correlated with consumer intentions and attitudes toward online shopping.

Table 1: *List of Empirical Studies from Pakistan regarding consumer online shopping behavior*

| Source | Determinants |
|----------------------------------|---|
| Babar et al. (2014) | Perceived usefulness, ease of use, financial risk |
| Qureshi et al. (2014) | Product/service quality, product guarantee, convenience, product/service cost, product varieties, perceived risk, social norms and website design |
| Akhlaq & Ahmed (2015) | Perceived usefulness, ease of use, distrust, perceived risk, perceived enjoyment, legal framework |
| Akhlaq & Ahmed (2016) | Perceived risk, perceived enjoyment, perceived usefulness, perceived ease of use, trust, legal framework |
| Tariq et al. (2016) | Financial risk, product risk, non-delivery risk, convenience, return policy |
| Haider and Nasir (2016) | Financial risk, product risk, convenience risk, non-delivery risk, return policy |
| Malik et al. (2017) | Online shopping inventory issues |
| Kouser et al. (2018) | Website quality, trust in e-commerce social websites, normative Influence Mediator: Attitude towards online shopping |

- Rahman et al. (2018)** Utilitarian and hedonic shopping motivations, consumer trust and privacy concerns, attitude to purchase online, online purchase intentions
- Qayyum et al. (2018)** Data integrity, data confidentiality, secure payment system, usability, usefulness, navigation system, trust on internet, trust on the website
- Saleem et al. (2018)** Quality of product, service quality, guarantee on products, convenience of consumers, cost of services and products, range of products and varieties, perceived risk, social norms and design or interface of the online platform/website
- Bhatti et al. (2018)** Convenience risk, product risk, perceived risk
Moderator: Attitude
- Bhatti et al. (2019)** Privacy risk, product risk, convenience risk
- Aslam et al. (2019)** Perceived Usefulness, confirmation, continuous intention, user's satisfaction
- Abdullah et al. (2020)** Gender, car ownership, employment status, travel distance, trip purpose, mode choice, frequency of trips
- Bhatti et al. (2020)** Financial risk, product risk, privacy risk, convenience risk
Moderator: Trust
- Anwar et al. (2020)** Music, color
Mediators: Pleasure, arousal

- Ali et al. (2020)** Optimism, innovativeness, insecurity, discomfort
Moderator: situational influences
- Hassan et al. (2021)** Behavioral intentions, attitude, facilitating condition, financial risk, internet acceptance, online shopping self-efficacy, perceived enjoyment, perceived ease of use, product risk, perceived usefulness, web functionality
Mediator: E-satisfaction
- Mahmood et al. (2021)** Digital information literacy skills
- Hanif et al. (2021)** Perceived risk, trust, prior shopping experience, performance expectancy, effort expectancy, social influence, price value, facilitating condition
Moderators: Structural assurance, shopping experience
- Rehman et al. (2022)** Performance expectancy, effort expectation, social influence, facilitating conditions
Moderators: offline brand trust, e-shopping intention
- Ahmad et al. (2022)** Online customer experience
Mediator: Customer engagement, Moderator: value co-creation
- Bano et al. (2022)** Government regulations, organizational ethical care, demographic characteristics

Mediator: Privacy concerns

Saleem et al. (2022) Personal awareness of security, Perceived usefulness, personal innovativeness, perceived ease of use
(purchasing) Mediator: Attitude towards online shopping

METHODOLOGY

The objective of this paper is to review major research identifying substantial factors influencing consumer online shopping behavior in Pakistan and subsequently, to categorize them in order to determine gaps and prospects for further study and research. In this context, a literature review looks to be a feasible strategy, because it is not only a crucial step in establishing a research field's structure but also aids in determining the conceptual content of the field and provides guidance for theory development (Easterby-Smith et al., 2012; Meredith, 1993). Hence, in the present study, three step methodology proposed by Mangiaracina et al. (2015a) was utilized i.e., paper assortment and selection, examination of the selected literature, distinguishing the research gaps and potential areas for further research.

Searching Methodology for Literature

Scopus, one of the largest bibliographic databases that solely contains journals with an impact factor, served as the primary source for data collection in present study. The focus of attention was especially on online shopping related articles. Because the goal of current study is to examine how consumer online shopping behavior in Pakistan is impacted by various factors. The terms “Online shopping,” “Consumer behavior,” “Online shopping behavior” and “E-commerce” were therefore first used. These phrases were combined four times with “Pakistan” using the boolean AND operator. These combinations were additionally compounded with gender differences, inventory issues, supplier, purchasing, online purchase intentions and digital literacy skills utilizing AND operators in order to incorporate papers on online shopping drivers.

The literature was examined up to the recent year 2022. These keyword combinations were searched in the title, abstract, and keywords of articles and conference papers included in Scopus database. There were 60 publications found in the initial search. Based on the parameters of the article, they were reduced to 25. Publications that were not published in English or that did not discuss the economic, social and environmental effects of online purchasing with regard to consumer online buying behavior were omitted. Although some fascinating papers subtly allude to some of these effects, it was found that they focused more on bibliometrics and technology. Therefore, those papers were excluded. Likewise, qualitative and meta-analysis papers were not included in present study.

Descriptive statistics

Several descriptive statistics for the reviewed literature are presented in this section. In current study the distribution of publications is represented by year starting from 2014 to 2022. The fact that there have been more publications in the last three years is clear evidence of the expanding interest in this topic. This trend is probably the outcome of the exponential rise in e-commerce transactions brought by the COVID-19 pandemic. It is anticipated that this tendency will last longer into the following years due to the effects of COVID-19 pandemic. According to Scopus categories, the literature was

categorized depending on the publication's year, and when necessary, some themes were merged into larger groups.

The business, management and accounting subjects included publications that addressed issues on consumer purchase intentions, consumer engagement and online shopping adoption. Under social sciences, studies were found that looked at gender differences in online shopping, emotions, barriers and acceptance of online shopping. Expectedly, both type of studies were more focusing on e-commerce and related behavior, given that consumer behavior plays an important role in online shopping.

Analysis based on Consumer Online Shopping Behavior Drivers

In order to understand that up to what extent the reviewed literature has addressed various factors impacting online shopping behavior, the publications were categorized based on those factors. It was identified that perceived risk and trust were the top two studied variables in the literature, followed by ease of use and perceived usefulness. This is expected since e-commerce integrates information technologies in business channels and facilitates information flow and transactions across the purchasing process (Zhu, 2004). Under the perceived risk, it was noted that the majority of studies focused on financial risk and privacy issues in urban areas. Moreover, some of the emerging fields are product risk, non-delivery risk and website security. Under the trust, studies focused on return policy and customer experience. In addition, some of the emerging themes are cultural values, social influence and facilitating conditions for the trust.

Studies on ease of use have focused on accessibility and digital literacy. Furthermore, studies that focused on the perceived usefulness have largely considered multiple channel settings and compared cost, quality and range of products among the channels. Usefulness is the primary variable that has the most influence on consumers' attitudes on online purchasing. Given the close relationship between perceived usefulness and ease of use, marketers should choose tactics that emphasize the overall usefulness of the system/process of online purchasing. Another consideration is the degree to which users think a technology is simple and unobtrusive. The general perception of consumers toward the phenomenon of online buying will be impacted if people believe that using the internet as a purchasing medium requires no physical or mental exertion. Finally, the latest studies have mostly focused on mediating and moderating effects of various variables such as: offline brand trust, e-shopping intention, customer engagement, value co-creation and attitude towards online shopping along with different antecedents influencing consumer online shopping behavior in Pakistan.

Furthermore, being a cash-based economy, Pakistani people preferred method of payment remained COD both before and during COVID-19, but due to the additional instalment features provided by vendors, there was an increase in e-payment methods.

This showed that people prefer to save money and pay on credit during uncertain times (Khan et al., 2021).

The findings of current study offer several recommendations for online businesses and e-tailers, designing e-business platforms (websites) and creating a secure market position through effective promotional strategies that appeal to gender-specific consumer segments. Moreover, it provides useful understanding of gender behavior and its impact on stimulating e-commerce. It is anticipated this review will provide valuable insights to online businesses, marketers and policymakers in developing and implementing diverse e-commerce models and strategies suitable for men and women online consumers.

Future research directions

The present study has important implications for society, practice, and research. This section highlights various intriguing research options for researchers studying online buying and its effects on consumer behavior.

In-depth analysis of literature has exposed a research gap in terms of culture. Regardless of the fact that this field of study has advanced recently in other developing countries, more analytical and empirical research is required to understand the role of culture in developing consumer online shopping behavior and satisfaction in the context of Pakistan. Additionally, modelling and quantitative research are essential for accelerating the uptake of online shopping and realizing its full potential because they will establish a solid foundation for subsequent studies. Moreover, there is a lack of research with implications for social influence and its impact on consumer behavior. This will aid in developing theoretical frameworks for comprehending the role analytical tools play in addressing online buying issues and improving consumer online shopping behavior.

In order to influence consumers' decisions to use a virtual channel rather than a traditional one, additional research in the area of e-shopping can be done. For the purpose of developing better strategies and policies, the entire purchasing process of the consumers as well as their post-purchase behavior could be reviewed and analyzed. Future research can incorporate the concepts of habit and hedonistic motivation. Because online shopping activity is becoming popular among young consumers. Likewise, to fully comprehend the post-adoption stage, it is important to do research on repurchase intentions and behavior.

Considering the potential for virtual reality to have an impact across several digital fields (Tang et al., 2020) that also features a virtual reality store purchasing experience. Future studies should look into the potential for VR apps to be integrated with online shopping and e-tailing, since this will enhance the consumer experience in terms of product selection and order fulfilment, increasing shopping efficiency.

Several elements including consumer lifestyle and an online retailer's reputation could also affect Pakistani consumers' disinclination to shop online. Future studies can incorporate these elements to identify obstacles to online shopping.

To further comprehend the phenomenon of online purchasing, future research should employ qualitative or mixed method approaches and longitudinal techniques. Moreover, to learn more about consumer behavior, experimental investigations should be carried out. Furthermore, future research should include other constructs like technophobia, user interface, community and consumer engagement.

Future research should be done to assess how customers behave while buying a certain product (such as cosmetics, apparel, food, gadgets, etc.), as customers have varied buying goals depending on the category of product.

Future research can also gather data based on the demographics of a certain group of online shoppers, such as their age, gender, or level of income, in order to better comprehend their online shopping behavior.

CONCLUSION

The major challenge faced by e-commerce industry in many developing countries today is figuring how to develop consumer online shopping behavior. Therefore, the goal of the current study is to draw attention to the crucial factors that influence consumer online buying behavior in Pakistan. With that objective, about 25 studies have been conducted so far on consumer online shopping behavior involving different cities with different predictors and strategies. Out of all these studies, mostly were published in Scopus indexed journals whereas a few in other journals. By summarizing them all, it was concluded that the most frequently studied determinants are related to online shopping intentions, trust and perceived risks. A wide range of online business tactics and methods used by vendors to effectively serve their customers are covered by the terminology.

Therefore, in light of the stated findings, it is asserted that consumer attitude towards online shopping, ease of use, trust and perceived risk are the most important and valuable factors that influence online shopping behavior in the context of Pakistan. To shape consumer online purchasing behavior in the country, these aspects must be taken into account when policies are made and implemented within an economic, social, political, and legal framework. The previous literature review had covered the barriers, gender differences and various issues in online shopping. It was noted that there are few literatures in the context of Pakistan that accurately explains the precise causes of lower online buying behavior. The organizational perspective was largely ignored in the bulk of empirical studies that solely looked at consumer online buying behavior from an individual perspective.

The majority of the investigations, with the exception of eight, have offered theoretical justifications. Theories extracted from the studies are theory of planned behavior, technology acceptance model, integration theory, multi-attribute utility theory, attitude behavior-context theory, unified theory of acceptance and use of technology, theory of technology readiness, SET theory, expectation confirmation model, diffusion of innovation theory, theory of reasoned action, APCO model and stimulus-organism-response model. However, future studies can utilize different behavioral theories to test the phenomenon.

Most of the studies analyzed their data using SPSS, while only two used AMOS and another five used smart PLS. Therefore, future studies are recommended to use smart PLS and AMOS which are advanced techniques that ensure accurate results.

Reviewing the literature on e-shopping behavior and its uptake in Pakistan, the scope of the many proposed prototypes has been adequately constrained, with an emphasis placed on a small number of difficulties or challenges. In real, the conceptual framework and solid theoretical underpinnings are lacking in these works. Furthermore, there aren't many studies that cover the key reasons why Pakistanis not prefer online purchasing to traditional methods of shopping.

Although the discussion has centered on business-to-customer (B2C) models, it is proposed that the same observations apply to business-to-business (B2B) operations, with the primary exception being that B2B environments typically have high volume transactions. So, B2B models should take into consideration in the future studies.

Due to a number of social, technological, religious, and psychological issues, it appears that consumers are still unsatisfied with Pakistan's current e-commerce system. Thus, it is recommended that in order to enhance consumer confidence in online shopping, the service must be designed to provide the degree of service that consumers need, and extensive marketing is required to draw in new consumers.

Several sectors in e-commerce industry such as e-ticketing, e-government services, e-payment, food, entertainment, luxury, mobile commerce, cross border purchasing, health and tourism were completely ignored in the reviewed studies, a gap that could be addressed by future studies. The present study managed to identify future agendas that are not yet explored in highlighting the important factors of consumer online shopping behavior that could improve this ongoing issue in Pakistan. Moreover, factors that were identified in the context of developed markets could be applied in the context of Pakistan in order to improve consumer online shopping behavior. Furthermore, future research can investigate the use of moderating, mediating, and control variables in examining indirect interactions instead of the direct relationships, which were the main emphasis of the majority of previous studies.

REFERENCES

- Abdullah, M., Dias, C., Muley, D., & Shahin, M. (2020). Exploring the impacts of COVID-19 on travel behavior and mode preferences. *Transportation research interdisciplinary perspectives*, 8. doi.org/10.1016/j.trip.2020.100255
- Agren, E. S., & Barbutiu, S. M. (2018). Barriers in the adoption of e-commerce in Pakistan with the focus on Gender. *International Journal of Scientific and Technology Research*, 7(1), 23-31.
- Ahmad, F., Mustafa, K., Hamid, S. A. R., Khawaja, K. F., Zada, S., Jamil, S., ... & Anwer, N. (2022). Online Customer Experience Leads to Loyalty via Customer Engagement: Moderating Role of Value Co-creation. *Frontiers in Psychology*, 13, 851-897. doi: 10.3389/fpsyg.2022.897851
- Akhlaq, A., & Ahmed, E. (2015). Digital commerce in emerging economies: Factors associated with online shopping intentions in Pakistan. *International Journal of Emerging Markets*, 10 (4), pp. 634-647.
- Akhlaq, A., & Ahmed, E. (2016). Gender differences among online shopping factors in Pakistan. *Organizations and Markets in Emerging Economies*, 7(1), 74-86.
- Al Mashalah, H., Hassini, E., Gunasekaran, A., & Bhatt, D. (2022). The impact of digital transformation on supply chains through e-commerce: Literature review and a conceptual framework. *Transportation Research Part E: Logistics and Transportation Review*, 165, 102837.
- Ali, S., Khalid, N., Javed, H. M. U., & Islam, D. M. Z. (2020). Consumer adoption of online food delivery ordering (OFDO) services in Pakistan: The impact of the COVID-19 pandemic situation. *Journal of Open Innovation: Technology, Market, and Complexity*, 7(1), 10.
- Alyoubi, A. A. (2015). E-commerce in developing countries and how to develop them during the introduction of modern systems. *Procedia Computer Science*, 65, 479-483. doi: doi.org/10.1016/j.procs.2015.09.127
- Anwar, A., Waqas, A., Zain, H. M., & Kee, D. M. H. (2020). Impact of music and colour on customers' emotional states: An experimental study of online store. *Asian Journal of Business Research*, 10(1), 104-125.
- Aslam, W., Ham, M., & Farhat, K. (2019). Building brand loyalty: an application of expectation confirmation model in mobile social commerce. *Pakistan Journal of Commerce and Social Sciences (PJCSS)*, 13(4), 806-825.
- Babar, A., Rasheed, A., & Sajjad, M. (2014). Factors influencing online shopping behavior of consumers. *Journal of Basic and Applied Scientific Research*, 4(4), 314-320.
- Bano, S., Mirza, M. Z., Sohail, M., & Javaid, M. U. (2022). Privacy matters: impact of ethical organization care and government regulations on customer patronage. *EuroMed Journal of Business*. doi:10.1108/EMJB-03-2022-0067
- Bellman, S., Lohse, G. L., & Johnson, E. J. (1999). Predictors of online buying behavior. *Communications of the ACM*, 42(12), 32-38.

- Bhatti, A., Rehman, S. U., Kamal, A. Z., & Akram, H. (2020). Factors effecting online shopping behaviour with trust as moderation. *Jurnal Pengurusan*, 60 (2020), 109-122.
- Bhatti, A., Saad, S., & Gbadebo, S. M. (2018). Convenience risk, product risk, and perceived risk influence on online shopping: Moderating effect of attitude. *International Journal of Business Management*, 3(2), 1-11.
- Bhatti, A., Saad, S., & Gbadebo, S. M. (2019). Product Risk, Privacy Risk, and Convenience Risk Influence on Online Shopping Behavior in the Context of Pakistan. *International journal of business management*, 4 (3), 41-52.
- Bokhari, F. (2018, May 22). Alibaba's entry in Pakistan hailed as boost for digital economy. *NIKKEI Asia*. Retrieved from <https://asia.nikkei.com/Business/Companies/Alibaba-s-entry-in-Pakistan-hailed-as-boost-for-digital-economy>
- Choshin, M., & Ghaffari, A. (2017). An investigation of the impact of effective factors on the success of e-commerce in small- and medium-sized companies. *Computers in Human Behavior*, 66 (1), 67–74. <https://doi.org/10.1016/j.chb.2016.09.026>
- Dai, Z. (2012). The Study on the Influence about Trust to Online Shopping Behavior. In: Eleventh Wuhan International Conference on e-Business Wuhan: Association for Information Systems (pp. 24–29).
- Dawood, A. (2019). *All you wanted to know about Pakistan's e-commerce scene (but didn't know who to ask)*. Retrieved from <https://profit.pakistantoday.com.pk/2019/01/14/all-you-wanted-to-know-about-pakistans-e-commerce-scene-but-didnt-know-who-to-ask-part-1/>
- Easterby-Smith, M., Thorpe, R., & Jackson, P. R. (2012). *Management research*. Sage.
- Faqih, K. M. (2022). Internet shopping in the Covid-19 era: Investigating the role of perceived risk, anxiety, gender, culture, and trust in the consumers' purchasing behavior from a developing country context. *Technology in Society*, 101992.
- Grönroos, C., & Voima, P. (2013). Critical service logic: making sense of value creation and co-creation. *Journal of the academy of marketing science*, 41(2), 133-150.
- Haider, A., & Nasir, N. (2016). Factors affecting online shopping behavior of consumers in Lahore, Pakistan. *Journal of Management Engineering and Information Technology*, 3(6), 9-14.
- Hanif, M. S., Wang, M., Mumtaz, M. U., Ahmed, Z., & Zaki, W. (2021). What attracts me or prevents me from mobile shopping? An adapted UTAUT2 model empirical research on behavioral intentions of aspirant young consumers in Pakistan. *Asia Pacific Journal of Marketing and Logistics*, 34(5), 1031-1059.
- Hassan, M., Kazmi, S., Rehman, M. A., Amaad, H., & Padlee, S. F. (2021). The Online Shoppers' Behavioral Intentions, E-Satisfaction, the Pathway to Repurchase Behavior: A Quantitative Analysis. *Studies of Applied Economics*, 39(4).

- Imran, A. (2021). *How Amazon's Entry is Beneficial for Pakistan*. Retrieved from https://www.linkedin.com/pulse/how-amazons-entry-beneficial-pakistan-ali-imran/?trk=articles_directory
- Khan, F., Ateeq, S., Ali, M., & Butt, N. (2021). Impact of COVID-19 on the drivers of cash-based online transactions and consumer behaviour: evidence from a Muslim market. *Journal of Islamic Marketing*.
- Kim, H., Lee, D., & Ryu, M. H. (2018). An Optimal Strategic Business Model for Small Businesses Using Online Platforms. *Sustainability*, 10 (3), 1–11. <https://doi.org/10.3390/su10030579>
- Kouser, R., Niazi, G. S. K., & Bakari, H. (2018). How does website quality and trust towards website influence online purchase intention?. *Pakistan Journal of Commerce and Social Sciences*, 12(3), 909-934.
- Lamberton, C., & Stephen, A. T. (2016). A thematic exploration of digital, social media, and mobile marketing: Research evolution from 2000 to 2015 and an agenda for future inquiry. *Journal of marketing*, 80(6), 146-172.
- Liang, T. P., & Lai, H. J. (2000, January). Electronic store design and consumer choice: An empirical study. In Proceedings of the 33rd Annual Hawaii International Conference on System Sciences (pp. 10-pp). Maui, HI, USA.
- Mahmood, M., Batool, S. H., Rafiq, M., & Safdar, M. (2021). Examining digital information literacy as a determinant of women's online shopping behavior. *Information Technology & People*. doi:10.1108/ITP-05-2021-0397
- Malik, M.N., Khan, H.H., Chofreh, A.G., & Goni, F.A. (2017). Online Shopping Inventory Issues and Its Impact on Shopping Behavior: Customer View. In: F. Saeed, N. Gazem, S. Patnaik, A. Saed Balaid, F. Mohammed (Eds.), *Recent Trends in Information and Communication Technology*. In International Conference of Reliable Information and Communication Technology (pp. 804-811). Springer, Cham.
- Mangiaracina, R., Marchet, G., Perotti, S., & Tumino, A. (2015). A review of the environmental implications of B2C e-commerce: a logistics perspective. *International Journal of Physical Distribution & Logistics Management*.
- Meredith, J. (1993). Theory building through conceptual methods. *International Journal of Operations & Production Management*, 13(5), 3-11.
- Ministry of information technology and telecommunication (MITT). (2022). *GOVT FOCUSING ON E-COMMERCE TO PROMOTE KNOWLEDGE ECONOMY*. Retrieved from <https://moitt.gov.pk/NewsDetail/ODU1NmMyYTgtZTM1Yy00ZWNLWJkY2UtYjMwZDZiNTNjNmM5>
- Pakistan Telecommunication Authority (PTA). (2022). *Telecom indicators*. Retrieved from <https://www.pta.gov.pk/en/telecom-indicators>

- Qayyum, S., Rehman, M., Saleemi, M., Ilyas, I., & Rafiq, S. (2018, March 3-4). *Analyzing the impact of security and website design on E shopping behavior of consumers: a case study of Pakistan*. In 2018 International Conference on Computing, Mathematics and Engineering Technologies (iCoMET) (pp. 1-12). Sukkur, Pakistan.
- Qureshi, H. A., Fatima, R., & Sarwar, A. (2014). Barriers to adoption of online shopping in Pakistan. *Science International*, 26(3).
- Rahman, S.U, Khan, M. A., & Iqbal, N. (2018). Motivations and barriers to purchasing online: understanding consumer responses. *South Asian Journal of Business Studies*, 7(1), 111-128.
- Rehman, A. U., Bashir, S., Mahmood, A., Karim, H., & Nawaz, Z. (2022). Does e-shopping service quality enhance customers' e-shopping adoption? An extended perspective of unified theory of acceptance and use of technology. *Plos one*, 17(2). doi: 10.1371/journal.pone.0263652
- Saleem, A., Aslam, J., Kim, Y. B., Nauman, S., & Khan, N. T. (2022). Motives towards e-Shopping adoption among Pakistani Consumers: An Application of the Technology Acceptance Model and Theory of Reasoned Action. *Sustainability*, 14(7), 4180.
- Saleem, M., Khan, M. M., Ahmed, M. E., Ali, S., Shah, N. & Rafiq, S. (2018). Online Grocery Shopping and Consumer Perception: A Case of Karachi Market in Pakistan. *Journal of Internet and e-Business Studies*, 2018(2018), 1-13. doi: 10.5171/2018.931248.
- Shah, F. (2021, November 29). Trends in e-commerce in Pakistan. *The Dawn*. Retrieved from <https://www.dawn.com/news/1660894>
- Svatosova, V. (2020). The importance of online shopping behavior in the strategic management of e-commerce competitiveness. *Journal of Competitiveness*, 12(4), 143.
- Tariq, A., Bashir, B. M. A. S., Shad, M. A., Main, A. Z., & Dar, M. A. (2016). Factors affecting online shopping behavior of consumers in Pakistan. *Journal of Marketing and Consumer Research*, 19(2016), 95-100.
- UNCTAD. (2019). *The UNCTAD B2C e-commerce index 2019*. Retrieved from https://unctad.org/system/files/official-document/tn_unctad_ict4d14_en.pdf
- Zhu, K. (2004). The complementarity of information technology infrastructure and e-commerce capability: A resource-based assessment of their business value. *Journal of management information systems*, 21(1), 167-202.

EFFECT OF ETHNIC-BASED BOYCOTT CAMPAIGN ON BOYCOTT INTENTION: THE RELEVANCE OF CONSUMER ANIMOSITY AND SELF-ENHANCEMENT

*Asmat-Nizam Abdul-Talib, Mohd Hanif Mohd Shukri, Syahirah Syuhada Basri

*Corresponding author's email: asmat@uum.edu.my

Abstract: The objective of this study is to investigate the relationships between ethnic-based boycott and the intention to boycott in Malaysia. The study also examines the mediating effect of consumer animosity, self enhancement and make a difference on those relationships. Based on a theoretical consideration, a model was proposed, and 4 hypotheses were formulated. A total of 279 usable responses were received from respondents in Facebook groups. Partial Least Squares Structural Equation Modelling (PLS-SEM) was employed in the data analysis. The findings reveal significant relationships between ethnic ethnocentrism and the intention to boycott. However, consumer animosity and self enhancement does not mediate the relationships between ethnic ethnocentrism and the intention to boycott. The study concludes with a discussion on the contributions, limitations as well as suggestions for future research.

Keywords: ethnocentrism, animosity, boycott, intention

INTRODUCTION

Malaysia has a diverse population, and ethnic conflicts have evolved in Malaysia's economy, education, healthcare, employment, and welfare during the past decade (Abdul-Latif & Abdul-Talib, 2017). The ethnic conflicts to some extents may have affected the way consumers behave and in particular the rise of political consumerism among the communities. As a result, consumers boycotts have grown in popularity among interested groups. According to Garrett (1987) and Friedman (1985), a boycott is a coordinated, collaborative but non-obligatory movement whose organizers campaign to de-market those products for particular reasons while buycott is the opposite concept of the boycott (Abdul-Talib & Abdul-Latif, 2015). Malaysians have experienced boycotts of US and Israeli government or commodities over their treatment of Muslims in Palestine (Abd-Razak & Abdul-Talib, 2012). However, buycott is rarely known to Malaysian consumers because this sort of campaign is normally used to urge the public to buy indigenous products, not as a boycott strategy. This study emphasis on brand rejection behaviours and underwrites to the existing literature by offering fresh perspectives into why customers may deliberately choose not to purchase a specific product or brand and support other brands or organizations outside product-related motives. The findings would assist advertisers forecast consumers' non-consumption intentions when buying a product.

In this study four hypotheses are tested:

H1: Ethnic based boycott motivation significantly influences the intention to boycott.

H2: Consumer animosity toward other ethnicities mediates the influence of ethnic-based motivation on one's intention to boycott.

H3: Self-enhancement mediates the influence of ethnic-based motivation on one's intention to boycott.

H4: Make a difference mediates the influence of ethnic-based motivation on the intention to boycott.

METHODOLOGY

Hoffman's (2013) model is primarily used to establish the framework in this research. Besides, this research used the structure given by Hoffmann (2013) in recommending the key role of the mediation effects on the motivation and purpose of consumers to go beyond specific ethnic based campaign. Following previous research, the research targeted populations from Malaysia's largest ethnic group, the Malays, who live in an environment where non-Bumiputera have a stronger business and economic foothold in the area.

The scales of CA (Ettenson & Klein, 2005) and CR (Rao Hill & Paphitis, 2011; Ouellet, 2007) were adapted for this research. Both scales are based on a 5-point Likert scale, with 1 representing "Strongly Disagree", 3 representing "Neutral", and 5 representing "Strongly Agree". The classifications for points 2 and 4 are "Disagree" and "Agree". The respondents range from over 20 to around 60 years of age. The questionnaires were posted at the selected ethnic-focused Facebook groups on 15th July 2020 until 31st July 2020. As a result, 279 questionnaires were gathered, and all surveys turn out to be valid for further analysis as all questions in the Google form are set must be filled by respondents. There is no missing data in this research occurred due to all respondents must answer all items in the questionnaires before they can submit it.

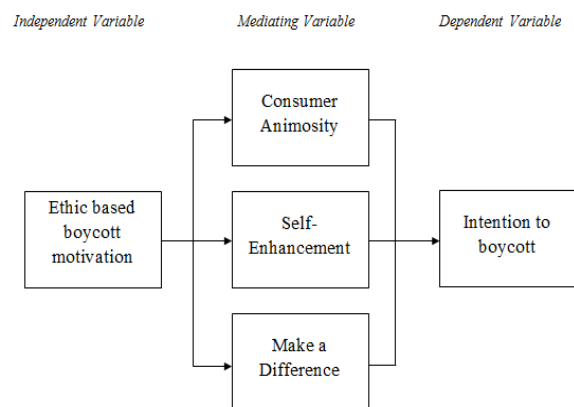


Figure 1: Theoretical Framework

RESULT

The summary of the results is presented in Table 1 and Table 2.

Table 1

Individual Item Reliability, Internal Consistent Reliability and Convergent Validity

| Construct | Item | Outer Loading | Cronbach's Alpha | Composite Reliability | Average Variance Extracted (AVE) | Convergent validity |
|----------------------|------|---------------|------------------|-----------------------|----------------------------------|---------------------|
| Consumer Animosity | CA1 | 0.921 | 0.834 | 0.923 | 0.857 | Yes |
| | CA2 | 0.931 | | | | |
| Ethnic Ethnocentrism | EE1 | 0.864 | 0.728 | 0.829 | 0.562 | Yes |
| | EE2 | 0.775 | | | | |
| | EE3 | 0.850 | | | | |
| | EE4 | 0.424 | | | | |
| Intention To Boycott | I1 | 0.986 | 0.983 | 0.989 | 0.966 | Yes |
| | I2 | 0.983 | | | | |
| | I3 | 0.981 | | | | |
| Make A Different | D1 | 0.924 | 0.802 | 0.884 | 0.721 | Yes |
| | D2 | 0.672 | | | | |
| | D3 | 0.927 | | | | |
| Self Enhancement | SE1 | 0.823 | 0.790 | 0.876 | 0.703 | Yes |
| | SE2 | 0.840 | | | | |
| | SE3 | 0.851 | | | | |

Table 2

Meditation Effect

| Hypotheses | | Original Sample | Standard Deviation | T Statistics | P Value | Findings |
|------------|--|-----------------|--------------------|--------------|---------|---------------|
| H2 | Ethnic Ethnocentrism>Consumer Animosity>Intention To Boycott | 0.005 | 0.038 | 0.142 | 0.887 | Not Supported |
| H3 | Ethnic Ethnocentrism>Self Enhancement>Intention To Boycott | -0.037 | 0.055 | 0.675 | 0.5 | Not Supported |
| H4 | Ethnic Ethnocentrism>Make A Different>Intention To Boycott | 0.439 | 0.044 | 10.009 | 0 | **Supported |

Note: **Significant at 0.05 (two-tailed)

DISCUSSION

The study findings showed that H1 and H4 are significant while neither H2 nor H3 are supported. The study suggests that Malay customers showed ethnocentric behaviour. Similar to Abdul-Latif and Abdul-Talib (2022) finding that those Malay customers are ethnocentric, yet they do not ignore products and services from other ethnic groups. This is due to the fact that Malay consumers have few options other than to purchase goods from other ethnic groups, most likely due to the restricted product offerings of their own ethnic entrepreneurs and businesses. Similarly, but on a different level, Kaynak & Kara (2002) observed that Turkish customers are ethnocentric but have limited options for purchasing home goods.

On the basis of all the aforementioned facts, it is possible to conclude that the purchasing decisions of Malaysian consumers are highly influenced by the ethnocentrism of the market, along with a few hints of market prejudice. In a market where the majority of commodities and businesses are dominated by non-Bumiputera, the outcomes of this study may be quite sensible and fair.

CONCLUSION

On the basis of the above observations, it can be inferred that the ethnocentrism has a significant impact on the purchase decisions of Malaysian consumers. Consumer ethnocentrism can be a threat to the stability of a multi-cultural community and the local economy. According to the findings, advertisers and practitioners may need to examine whether their products and brands accidentally represent a specific ethnicity and whether this has a detrimental effect on the purchasing behaviour of their projected target consumers. Furthermore, boycotting activities are prevalent today, and they

frequently center on misleading data. Others that survive and garner public attention may cast doubt on a brand's reputation, whereas some are readily eradicated.

This study's findings are restricted to a sample of younger, more educated Malaysian consumers. Additionally, customer preferences and product/brand familiarity, as well as uncertainty in identifying products with ethnic or national identity, such as the differences between Chinese-owned and Malaysian-owned products, can influence the results (Li et al., 2013).

REFERENCES

- Abd-Razak, I., & Abdul-Talib, A.-N. (2012). Globality and intentionality attribution of animosity. *Journal of Islamic Marketing*, 3(1), 72–80. <https://doi.org/10.1108/17590831211206608>
- Abdul-Latif, S.-A., & Abdul-Talib, A.-N. (2017). Consumer racism: A scale modification. *Asia Pacific Journal of Marketing and Logistics*, 29(3), 616–633. <https://doi.org/10.1108/apjml-02-2016-0026>
- Abdul-Latif, S.-A., & Abdul-Talib, A.-N. (2022). An examination of ethnic-based consumer ethnocentrism and consumer animosity. *Journal of Islamic Marketing*, 13(4), 781–806. <https://doi.org/10.1108/jima-08-2019-0165>
- Abdul-Talib, A. N., Zakaria, N., & Abdul-Latif, S.A. (Eds.). (2021). *Multidisciplinary Perspectives on Cross Border Trade and Busines*, IGI Global.
- Abdul-Talib, A.-N, & Abdul-Latif, S. (2015). Antecedents to willingness to boycotts among Malaysian muslims. In H. El-Gohary, & R. Eid (Ed.), *Emerging Research on Islamic Marketing and Tourism in the Global Economy* (pp. 70-106). IGI Global. <https://doi.org/10.4018/978-1-4666-6272-8.ch004>
- Ettenson, R., & Klein, J. G. (2005). The fallout from French nuclear testing in the South Pacific: A longitudinal study of consumer boycotts. *International Marketing Review*, 22(2), 199–224. <https://doi.org/10.1108/02651330510593278>
- Friedman, M. (1985). Consumer boycotts in the United States, 1970–1980: Contemporary events in historical perspective. *Journal of Consumer Affairs*, 19, 96–117. <https://doi.org/10.1111/j.1745-6606.1985.tb00346.x>
- Garrett, D. E. (1987). The effectiveness of marketing policy boycotts: Environmental opposition to marketing. *Journal of marketing*, 51(2), 46-57. <https://doi.org/10.1177/002224298705100204>
- Hoffmann, S. (2013). Are boycott motives rationalizations? *Journal of Consumer Behaviour*, 12(3), 214-222. <https://doi.org/10.1002/cb.1418>
- Kaynak, E., & Kara, A. (2002). Consumer perceptions of foreign products. *European Journal of Marketing*, 36(7/8), 928–949. <https://doi.org/10.1108/03090560210430881>
- Li, C., Sunny Tsai, W. H., & Soruco, G. (2013). Perceived ‘Hispanicness’ versus ‘Americanness’: A study of brand ethnicity with Hispanic consumers. *International Journal of Advertising*, 32(3), 443-465. <https://doi.org/10.2501/IJA-32-3-443-465>
- Ouellet, J. F. (2007). Consumer racism and its effects on domestic cross-ethnic product purchase: An empirical test in the United States, Canada, and France. *Journal of Marketing*, 71(1), 113-128. <https://doi.org/10.1509/jmkg.71.1.113>

Rao Hill, S., & Paphitis, K. (2011). Can consumers be racist? *Asia Pacific Journal of Marketing and Logistics*, 23(1), 57–71.
<https://doi.org/10.1108/13555851111099998>

BUY OR NOT TO BUY: UNDERSTANDING THE CONSUMER PURCHASING BEHAVIOR ON COSMETIC AND PERSONAL CARE PRODUCTS

*Wan-Nurisma Ayu Wan-Ismail

Department of International Business,
School of International Studies,
Universiti Utara Malaysia

*Corresponding author's email: nurisma@uum.edu.my

Mia Zulfah

Department of International Business,
School of International Studies,
Universiti Utara Malaysia.

Abstract: The main aim of the study is to understand the factors that influence the purchasing behavior of the consumer toward cosmetic products. Several factors had been identified in this study for example packaging color, shape, material, graphic and design as well as information in packaging. Findings have shown that all the factors are important when it come to the decision of buy or not to buy the products except packaging shape and size. The respondent of the study is female student in UUM. This study contributes to the understanding of the important factor that influence in terms of cosmetic packaging product and it will help the marketers to prepare their products attractively.

KEYWORDS: consumer behavior, packaging, cosmetic, purchasing, personal care.

INTRODUCTION

Beauty standards for women had been evolved significantly throughout the history. The perception of beauty is not only limited to the body types, fair skin, and curvy body but also to the role of hygiene and cleanliness. In the late of 18th century, feminine attractiveness was associated with the cosmetics, perfumes, hair care and other personal care and it's remained as the most frequent purchase for both women and men. The continuous growth and evolution of cosmetic and personal care industries gave a huge opportunity to the business. The cosmetic and personal care industry has been expanding and evolving both in developed and developing countries. The Asian market had become one of the fastest growing markets in the world.

According to Statista.com, revenues in cosmetic and personal care in Malaysia are projected to reach \$2.5 billion in 2021 and grow at a 4% compound annual growth rate through 2025. With the population of 32.7 million and average income of \$11,414 per capita, Malaysia had become one of the potential markets for this industry. In addition, cosmetic and personal care had become a must have product for all people.

Therefore, the need to understand the purchasing behavior of the consumers had become a main interest for the researcher in consumer behavior.

PROBLEM STATEMENT

Cosmetic and personal care had been a focus by the business organization in Malaysia (Euromonitor, 2012). Cosmetic can be considered as one of the element that bring attractiveness to human. The trend of using a cosmetic and personal care had increased significantly especially among women and teenagers. Cosmetic products define as substances or mixture that are designed to clean, beautifying and to improve the appearance (skin, teeth, hair, or nails) without changing the structure or functions of the body. It is also including the personal care and beauty preparations (make-up, perfume, skin cream, nail polish) and grooming aids such as soap, shampoo, cream shaving, and deodorant. Cosmetic products can be classified into several groups of products such as skincare product, cosmetic product, oral care product and hair care product (Falbe, 1987).

From all group of products, the beauty and personal care had been the fastest growing markets particularly for cosmetics and skin care segments. The main driving force of this segment is because of the young consumers entering the market. This is due to the mass promotion by social media internationally and E-Commerce around the world. This strong growth has spread the trends from all over the world and changing the daily beauty and care routine (Statista.com). The total revenue generated through online sale for Beauty & Personal Care market have contributed 12.0% of total revenue in 2022. Report had been stated that total revenue for this beauty and personal care segment amounts to US\$2.68 billion in 2022 and expected to grow annually by 4.07% (CAGR 2022-2026). From that total revenue, personal care is the largest market segment with a market volume of US\$1.25bn in 2022.

Malaysia as well have shown an incremental increase in cosmetic and personal care market. As of August 2022, report from Statista.com show that personal care has contributed so much to the total revenue with US\$1.25 billion in 2022. The market size is expected to grow up in 2025 with the increase in personal well-being and appearance consciousness among Malaysians, which has positive impacted to the Malaysia skin care products market size for both males and females.

Among the interest from the researcher towards this market segment, this study will look at the packaging factors that may contribute to increasing number of purchases for cosmetic and personal care products. This niche area had become an interest because the studies had found that the attraction of the packaging is the main factor why customers choose to buy. Due to the increasingly busy lifestyle, consumers are seeking the product with convenient, space-saving, portable and unique features (Grönman et.al, 2013).

FACTOR THAT INFLUENCES CONSUMER PURCHASE OF COSMETIC PRODUCTS: A LITERATURE REVIEW.

Packaging is not only for protecting the product, but it is a mechanism to make the handling process of the product at ease during the transportation process and storage. However, rather than protection, packaging purposes are beyond that. It can be used as an advertising message of the company and at the same time can be a representative of the firm (Mirabi, Akbariyeh, and Tahmasebifard, 2015).

Therefore, a proper packaging is needed to create a brand recognition among the consumers (Yang, 2004). Many factors of the packaging will influence the purchasing behaviour of the consumers such as color, shape and design, material use, picture and graphic of the packaging as well as the information printed on the packaging (Silayoi & Speece, 2007).

To attract the consumers, firms must choose the suitable colour for their products. Colour can be used to differentiate a product in the shelf (Akbari *et al*, 2014). The right colour can improve a product's image (Randi & Joseph, 1999). In terms of shape and size, studies have shown that females might be more interested in circular & curved lines while males prefer linear angular shapes (Berkowitz, 1987). Other important aspect of the packaging is also on the material used as packaging. The study revealed that 55% of buyers trust continuously decline if they found the packaging is damaged or broken, and 36% move towards another brand (Ghosh, 2016). Packaging material communicates consumer value towards a specific product. For instance, the consumer prefers glass packaged material for a liquid cosmetic product such as perfume, deodorant, face cream and etc. (Smith, & Taylor, 2004). For picture and graphic on the packaging, Pensatorn (2015) mentioned that pictures and graphics can generate an emotional response from the customers. It describes the product functioning, usage, and attractiveness to the product. Madden *et. al.* (2000), also mentioned the pictures on packaging can help in determining cosmetic products, showing their use, making them desirable, or building an emotional reaction by the consumer to the product inside and packaging graphics and images is to capture the attention of the consumer (Silayoi and Speece, 2004). The right choice of colour, the material use to wrap the products, the picture and graphic printed in the box is less useful if the information on the packaging is not available. This is because there are certain laws and regulations in every country that require written contents on packages. Some laws require companies to use the company name, address, date of production/expiry, ingredients, etc. (Raheem *et.al*, 2014). As consumers are becoming more concerned with information on packaging especially towards cosmetic products (Ishak, *et al.* 2020). It is because cosmetics have sensitivity ingredients that not all consumers are suitable for their skin conditions (Kobayashi and Benassi, 2015).

METHODOLOGY

The target respondents of this study were 293 female postgraduate students in Universiti Utara Malaysia. A convenience sampling was used in this study.

RESULT AND FINDINGS

From the regression analysis, it shows that all the factors have a significant impact on the consumer's purchase decision of cosmetic products EXCEPT for packaging shape and size. This shows that female consumer among postgraduate student in Universiti Utara Malaysia is not concern on the shape and size of the packaging.

CONCLUSION

Based on this research, producer and marketers can have a clearer vision on the factors that could affect consumers' purchasing behaviour towards the cosmetic packaging to design more efficient and to reach more target audience and attract their attention in order to be able to design the packaging more attractive.

REFERENCES.

Falbe, J. (1987) *Surfactants in Consumer Products: Theory, Technology, Applications*. Springer, Heidelberg, 475.

Grönman, K., Soukka, R., Järvi-Kääriäinen, T., Katajajuuri, J.-M., Kuisma, M., Koivupuro, H.-K., Ollila, M., Pitkänen, M., Miettinen, O., Silvenius, F., Thun, R., Wessman, H. and Linnanen, L. (2013), Framework for Sustainable Food Packaging Design. *Packag. Technol. Sci.*, 26: 187-200. <https://doi.org/10.1002/pts.1971>

Mirabi, V., Akbariyeh, H. and Tahmasebifard, H. (2105) A Study of Factors Affecting on Customers Purchase Intention. *Journal of Multidisciplinary Engineering Science and Technology*, 2, 267-273.

Silayoi, P. and Speece, M. (2007), "The importance of packaging attributes: a conjoint analysis approach", *European Journal of Marketing*, Vol. 41 No. 11/12, pp. 1495-1517. <https://doi.org/10.1108/03090560710821279>

Randi, P. G., & Joseph Z. W. (1999). What we know about consumers' colour choices. *Journal of Marketing Practice: Applied Marketing Science*, (3), 78-88

Berkowitz, M. (1987) Product Shape as a Design Innovation Strategy, *Journal of Product Innovation Management*, Vol. 4, pp.274-283

Smith, P.R. & Taylor, J., 2004. Packaging. In *Marketing Communications*. London: Kogan Page Limited. Pp.543-74

Pensatorn, W. (2015). The Use of Images in Graphic Design on Packaging of Food and Beverages. *Journal of Economics, Business and Management*, 3, 1159-1163. <https://doi.org/10.7763/JOEBM.2015.V3.351>

Madden, Thomas & Hewett, Kelly & Roth, Martin. (2000). Managing Images in Different Cultures: A Cross-National Study of Color Meanings and Preferences. *Journal of International Marketing - J INT MARKETING*. 8. 90-107. 10.1509/jimk.8.4.90.19795.

Raheem, A. R., Vishnu, P. A. R. M. A. R., & Ahmed, A. M. (2014). Impact of product packaging on consumer's buying behavior. *European journal of scientific research*, 122(2), 125-134.

Ishak, S., Che Omar, A.R., Khalid, K., Ab. Ghafar, I.S. and Hussain, M.Y. (2020), "Cosmetics purchase behavior of educated millennial Muslim females", *Journal of Islamic Marketing*, Vol. 11 No. 5, pp. 1055-1071. <https://doi.org/10.1108/JIMA-01-2019-0014>

Kobayashi, M. L., & Benassi, M. D. T. (2015). Impact of packaging characteristics on consumer purchase intention: Instant coffee in refill packs and glass jars. *Journal of Sensory Studies*, 30(3), 169-180.

VIRAL PRODUCT IN SOCIAL MEDIA, DOES COUNTRY OF ORIGIN MODERATES THE PURCHASE BEHAVIOR

Nor Azimah Kamaruddin¹, Noor Afzainiza Afendi²

School of International Studies, Universiti Utara Malaysia, Sintok, Kedah

E-mail: [1n.azimah@uum.edu.my](mailto:n.azimah@uum.edu.my), [2afzainiza@uum.edu.my](mailto:afzainiza@uum.edu.my)

Abstract: social media has a significant impact on product promotion due to the fact that electronic word-of-mouth activity in social media is a prevalent cause of virality and social influence. A product often becomes popular in the market due to its viral power. Consumers are interested in buying a product because it is viral. However, it cannot be ascertained whether the country of origin gives an effect on the purchase behavior of viral products. The objective of this paper is to produce a framework that connects viral marketing with purchase behavior moderated by country of origin. Therefore, a relationship between purchasing behavior as a dependent variable and product virality as an independent variable was constructed using a conceptual framework moderated by the country of origin stereotype. The proposed method is to use a quantitative approach that uses the individual as the unit of analysis. The sample taken is among social media users who are exposed to viral marketing and have made purchases of viral products. This conceptual framework can be used for future empirical studies as to date, there no such research has been done to determine how the country of origin stereotype moderates the influence on purchase behavior.

Keywords: viral product, social media marketing, country of origin, purchase behaviour, conceptual framework.

INTRODUCTION

Nowadays, social media marketing plays a significant role in persuading people to purchase a product. This is because social media serves as a medium for electronic word of mouth (eWOM), which is a powerful source of social influence and virality (Nguyen & Chaudhuri, 2019). Social media improves the effectiveness of marketing. As a result, businesses begin to use social media to launch their products because the volume of potential customer reach is wider compared to traditional marketing (Strauss & Frost, 2014).

In examining the matchup effect of viral marketing accomplishment, there is one potential moderator - country-of-origin (COO) when it involves international marketing. With the advent of social media, international marketing has become increasingly similar to local marketing, as the expansion of social media marketing requires an approach that can be accepted by the local market (Vrontis & Basile, 2022). However, when it comes to purchasing behaviour, the question that arises is whether the country of origin plays a role in viral marketing.

COO can be defined as “The image, reputation and stereotype of a specific country that businessmen and consumers perceived towards the product.” (Lew & Sulaiman, 2014).

This image is created by variables such as representative products, national characteristics, economic and political background, history, and traditions.”

According to past research, Vrontis and Basile (2022), country-specific animosity (defined as a feeling—a sentiment connected to past or present political, economic, cultural, and personal associations)—has a substantial impact on COO ratings and customers' desire to purchase foreign goods.

Wu et al. (2016) study focused on the effect of COO in advertisements finds out that the COO facet gives an influence towards purchase intention. COO cues in advertisements can activate customers' perceptions and influence brand evaluation. Even though attitude towards the advertisement positively influences the purchase intention, but COO stereotype could moderate the influence to purchase the product. Consumers might consider COO information when it appears in advertisements.

Empirical research conducted by Koschate-Fischer et al. (2012) demonstrated that the COO moderates the influence of customers' willingness to pay for the product. COO has a significantly lesser effect on advertising perception towards intention attitude. In line with Verlegh et al. (2005), country of origin may act as a source variable that moderates the effect of advertisement claims on product evaluations. Although the advertisement received good feedback from the consumers, however, the COO stereotype has been given a less credible image of the advertised product. It can moderate the intention of potential customers to buy the product. Both studies are using traditional marketing domains and it cannot be ascertained that social media marketing would have the same results given that social influence is significantly strong in influencing other users especially when the product is viral.

According to recent research by Huang et al. (2022) using the social media marketing landscape, the COO has a very small influence on the brand engagement of the marketing campaign in social media. Users will like, comment, and share the marketing campaign. However, the study is only up to the engagement of the marketing campaign, it does not look at whether the COO give any effect on purchase behaviour.

Therefore, the objective of this article is to establish a conceptual framework discussing the role of the COO as a moderator between viral products and purchasing patterns.

The proposed proposition can be seen in the diagram where a viral product has a direct relationship with purchase behavior (P1). In addition, the moderation effect of the country of origin also can be seen through P2 as shown in Figure 1. The summary of the propositions can be seen in the conceptual framework in Figure 1.

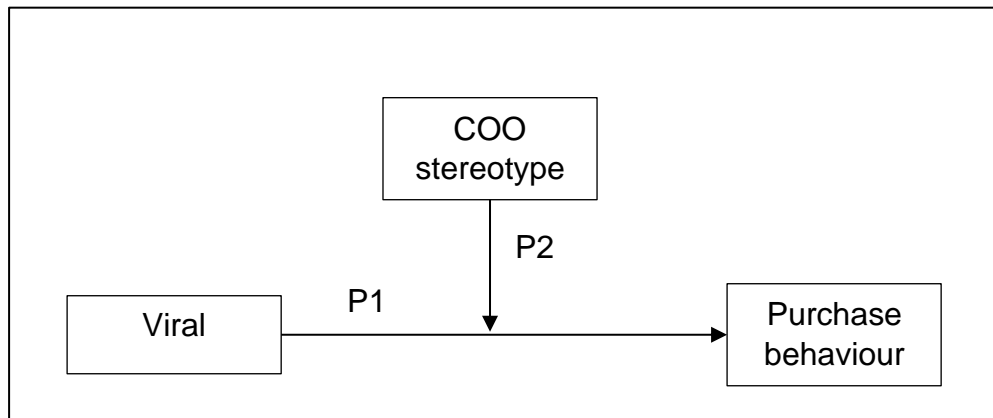


Figure 1: Conceptual framework

Proposition 1: There is a significant relationship between viral products and purchase behaviour.

Proposition 2: Country of origin stereotype moderates the relationship between viral product and purchase behaviour.

METHODOLOGY

It is suggested to use quantitative data collection because this study intends to test the proposed proposition. The unit of analysis for this study will be individuals, specifically Malaysian consumers who have knowledge and experience in social media usage.

As the population of social media is beyond 5,000, the population size is almost irrelevant and the sample size of 400 social media users in Malaysia will be adequate to define research objectives (Leedy & Ormrod, 2010). The mentioned proposition will be tested through a self-administrated online questionnaire using a randomly selected sample of the population. A cross-sectional sample to collect data from a large number of participants is suggested to be used. This method could reach a big number of respondents in a standardized and economic way.

DISCUSSION

The starting point for the consideration of the study is the fact of understanding the moderating effect of country of origin in influencing the purchase decision of a viral product on social media. As social media has become a landscape for international marketing, the issue of country of origin must also be taken into account because previous studies conducted on traditional marketing (offline) found that country of origin has a significant influence on product purchase decisions.

Since not many studies have been done that integrate country of origin as a moderator in the social media marketing domain, it is recommended that this study be done to

ensure whether the country-of-origin stereotype gives a moderation effect to purchase behaviour.

CONCLUSIONS

Although this paper has a limitation and does not undergo an empirical study, it gives an overview of the moderating effect of country of origin in the purchase behavior process. Even if a product is viral, however, the country-of-origin stereotype is believed to have an influence that functions as a moderator. Based on the literature search, the previous study does not take into account the country of origin in social media studies. Therefore, it cannot be ascertained whether the country-of-origin acts as a moderator or not. There is a need to test the proposed framework. Thus, the conceptual framework drawn can help as a direction for future empirical research.

REFERENCES

- Huang, Y., Zhang, X., & Zhu, H. (2022). How do customers engage in social media-based brand communities: The moderator role of the brand's country of origin? *Journal of Retailing and Consumer Services*, 68(22), 103079. <https://doi.org/10.1016/j.jretconser.2022.103079>
- Koschate-fischer, N., Diamantopoulos, A., & Oldenkotte, K. (2012). Are Consumers Really Willing to Pay More for a Favorable Country Image? A Study of Country-of-Origin Effects on Willingness to Pay. *Journal of International Marketing*, 20(1), 19–41.
- Leedy, P. D., & Ormrod, J. E. (2010). *Practical Research - Planning and Design* (9th Editio). Pearson.
- Lew, S., & Sulaiman, Z. (2014). Consumer Purchase Intention toward Products Made in Malaysia vs . Made in China : A Conceptual Paper Consumer Purchase Intention toward Products Made in Malaysia vs . Made in China : A Conceptual Paper. *Procedia - Social and Behavioral Sciences*, 130(May), 37–45. <https://doi.org/10.1016/j.sbspro.2014.04.005>
- Nguyen, H. T., & Chaudhuri, M. (2019). Making new products go viral and succeed. *International Journal of Research in Marketing*, 36(1), 39–62. <https://doi.org/10.1016/j.ijresmar.2018.09.007>
- Verlegh, P. W. J., Steenkamp, J. E. M., & Meulenberg, M. T. G. (2005). Country-of-

origin effects in consumer processing of advertising claims. *International Journal of Research in Marketing*, 22, 127–139.
<https://doi.org/10.1016/j.ijresmar.2004.05.003>

Vrontis, D., & Basile, G. (2022). New media marketing as a driver of enterprise country of origin (COO) offer in international markets. *International Journal of Entrepreneurial Behaviour and Research*, 28(5), 1222–1244.
<https://doi.org/10.1108/IJEER-01-2021-0085>

Wu, L., Ju, I., & Dodoo, N. A. (2016). Understanding the Impact of Matchup between Country-of-Origin Facets and Country Stereotypes on Advertising Effectiveness. *Journal of Global Marketing*, 29(4), 203–217.
<https://doi.org/10.1080/08911762.2016.1185561>

HALAL LOGISTICS AWARENESS AMONG MUSLIM CONSUMERS IN THE NORTHERN REGION OF MALAYSIA

Fatin Nur Azmiera Abd Halim¹ & Alisha Ismail²
School of International Studies, Universiti Utara Malaysia
Email: fatin_nur_azmiera@gsgg.uum.edu.my¹ & alisha@uum.edu.my²

Abstract: The halal industry is getting more attention nowadays even in non-Muslim countries. This situation contributes to the Halal industry blooming which not only consists of food and other products only but also Halal services such as Halal logistics. In Malaysia, the awareness towards Halal logistics is still not high enough as other Halal components. Hence, the demand for this type of Halal is still low. Therefore, there is a need to study the awareness level of Halal logistics, especially among Muslim consumers in Malaysia. This research paper is aimed to identify the factors that contribute to Halal logistics awareness among Muslim consumers in Kubang Pasu, Kedah. This paper also measures religious belief, health reasons, Halal logo and certification and also exposure and tests the correlation between those variables the awareness. Data were collected through convenient sampling and analyzed by using SPSS version 20. The findings indicate that religious belief and exposure is the significant predictor of Halal logistics awareness among Muslim consumers.

1. Introduction

The halal industry has already exploded in recent years. Halal is estimated to be valued at RM 8.4 trillion in the world economy, and this industry is expected to grow at a 28 per cent rate between 2016 and 2022. (FLY Malaysia, 2020). The Halal economy is already large, having surpassed the status of a small Muslim consumer sector to become more mainstream (MATRADE, 2019). The halal industry's segmentation of the market has also extended to non-Muslims. This means that the halal sector is open to Muslims and non-Muslims alike. As a result, non-Muslim countries such as Thailand, Korea, and Japan are seeing a surge in the halal industry (Mohd Nawawi, et al., 2019).

Malaysia is considered to be one of the world's largest halal industry players among the countries that have begun to build their halal industries. In terms of Malaysia's halal scene, the halal industry contributed around 7.5 per cent to the country's GDP in 2017. (FLY Malaysia, 2020). This considerable contribution of the halal business to Malaysia's GDP demonstrates that Malaysia, as a Muslim-majority country, is effective in capitalizing on its potential. This is because Malaysia's halal industry has a well-established business climate, which has served as a significant impetus for the industry's explosive growth (The Star, 2015).

Over the last decade, the term halal has taken on a new meaning. What was once viewed solely as a matter of nutrition is now viewed as a way of life that has ripple effects throughout supply chains and sectors. The rapid growth of the halal industry has accelerated the speed of international standards and considerably enlarged the spectrum of products to include logistics, pharmaceuticals, cosmetics, personal care items, and packaging.

The success of this Halal industry is strongly reliant on logistics service management, or what is more commonly referred to as Halal logistics (Majid, 2018). Halal logistics ensures that consumers receive Halal products at their final destination (Majid, 2018) since it is a technique for avoiding contamination during the items' transportation (Talib, Hamid, Zulfakar, & Thoo, 2015). Due to the nature of the environment, the many handlings, and the various parties involved, logistics activities are prone to cross-contamination. It is impossible to keep halal and non-halal products in the same place (Iranmanesh et al., 2019). The essential idea of halal logistics is the separation of halal and non-halal cargo throughout the logistics chain (Lestari, Susanto, Simatupang, & Yudoko, 2018). Logistics and transportation also play a critical role in ensuring that the product is halal, and thus adhering to Halal control in those actions can become a difficult process, as those actions and modes of transport must also adhere to the concept of shariah, or there is a risk of cross-contamination, in which the Halal product may become a non-Halal product (Manshor, Razaly, & Noh, 2013).

Although numerous academic study papers have been published highlighting the issue of halal logistics and the crucial success component, halal logistics in Malaysia continues to face a stumbling block (Sham, Rasi, Abdamia, Mohamed, & Thangal, 2017). One of the roadblocks is consumer knowledge regarding Halal Logistics. While the Halal business demonstrates its global potential for expansion, Muslim customers remain unaware of Halal and the market's future, particularly in terms of logistics (Yunos, Mahmood, & Mansor, 2014). According to Potluri et al. (2017)'s research, their respondents, who are Muslim consumers, are unaware of the notion of Halal logistics. For the majority of Muslim consumers, the Halal emblem is more important than the logistics operations (Sham, Rasi, Abdamia, Mohamed, & Thangal, 2017).

Yusoff and Adzharuddin (2017) discovered that awareness is the most important element in Muslim families seeking Halal information. To be taken seriously and not taken for granted, accurate knowledge of Halal requires sustained and persistent efforts to raise consumer awareness (Ishak, 2017). According to Shafii, Shahwan, and Rahim (2015), consumer behaviour and attitude contribute to a lack of information and knowledge about Halal, and hence they lack sufficient awareness of Halal concerns (Shafii, Shahwan, & Rahim, 2015). While access to information via the Internet, newspapers, and television is widespread, curiosity about Halal current events and situations is minimal, which results in ignorance of Halal current events and situations (Ishak, 2017).

By and large, Muslim customers believed that the logo Halal sufficed to show that the products adhere to Islamic standards and criteria. This is primarily because the majority of them focus exclusively on Halal-certified products rather than considering them holistically (Ngah, Zainuddin, & Thurasamy, 2014). This demonstrates a lack of awareness on the part of Muslim consumers about Halal logistics. A prior study recommended that additional research be conducted on this subject (Ngah, Zainuddin, & Thurasamy, 2014), as this is a relatively new area of study for academics and practitioners (Masudin, Fernanda, & Widayat, 2018). A review of the literature reveals that research on Halal logistics awareness is sparse, with just a few studies conducted in specific places such as the Klang Valley (Omar et al., 2017) and Kota Kinabalu (Hasan, 2016). Thus, this study focuses on elucidating the current state of Halal logistics and the Muslim understanding of it.

Three research objectives have been derived from the aforementioned research question. The first objective is to identify the factors that contribute to Halal logistics awareness among Muslim consumers in Kubang Pasu, Kedah. The second objective is to examine the relationship between the identified factors and Halal logistics awareness among consumers in Kubang Pasu, Kedah while the last objective is to investigate the most influential factor that contributes to Halal logistics awareness among Muslim consumers in Kubang Pasu, Kedah.

Realistically, the significance of this study is that it can contribute to customers and how customers in their daily lives have to be aware of Halal logistics. It will also help marketers predict future market trends. To archive the objective, 384 samples were obtained and analyzed using SPSS to bring the study model to the test. The remainder of this paper is divided into a few parts: (ii) theoretical background; (iii) methodology; (iv) findings; and (v) discussion.

2. Theoretical Background and Hypothesis Development

2.1 Halal Logistics

Halal is being used to define anything acceptable under sharia teachings. The Halal phrase is an important guideline or rule of thumb in Muslim's daily life. In Muslim life, for example, they have to gain income from Halal sources, just engage in Halal operational activities and consume Halal food and drink. The halal concept is not only limited to ingredients but to all supply chain activities along the way. As we are aware, the food processing industry previously concentrated on Halal, but now it covers all life aspects including pharmaceuticals, cosmetics, food services, care products, halal tourism, Halal hotels, and logistics (Majid, 2018).

Halal logistics refers to every aspect of the halal supply chain that goes from farm to fork (Soon, Chandia, & Regenstein, 2017) (Nadzmi & Iskandar, 2020) while MITRANS (2012) defined Halal logistics as cargo flows command and control in a value system with Halal integrity as the priority (MITRANS, 2012). As for Zulfakar,

Jie & Chan (2011), Halal logistics is Halal network management which aims to extend the Halal integrity from the raw materials to the consumption point (Susanty, Puspitasari, Caterina, & Jati, 2020), also could be said as business operations innovation as it develops new valuable logistics services for consumers satisfactions (Talib, 2021). It is agreed by Omar et al (2017) stated that Halal logistics is Halalan toyyiban processes application along the logistics activities which range from raw materials, storage, production, management and transporting the Halal products (Omar et. al., 2017). This type of logistics is different to conventional logistics as there is segregation between Halal products and non-Halal products to ensure that Halal integrity is protected through the logistics activities (Halal Development Corporation, 2010).

Generally, Halal logistics which can be described as preserving Halal integrity in the distribution of products and goods across the supply chain is an increasingly important segment of the Halal industry. In this, Halal logistics works based on a mechanism for distinguishing Halal and non-Halal products and goods through all of those procedures. Commodity logistics are easily carried out across national borders with rising globalization. Therefore, it is very crucial to design an international standard for halal logistics. As outlined in the 2006 Third Industrial Master Plan (IMP3), Malaysia strives to become a global centre for the manufacture and trade of halal products and services. Malaysia has incomparable opportunities as a multicultural Muslim nation at the forefront of economic growth. With a steady living and working environment of political stability and sustainable economic development, Malaysia is increasingly becoming a commercial hub for all industries.

At this moment, there is no global common standard and guideline that can be used in Halal logistics. As the global Halal leader industry, Malaysian Standard 2400:2010 has been used as the most common standard not only in Malaysia, but also worldwide (Kamaruddin, Iberahim, & Shabudin, 2012) (Radzi, Azmi, & Samicho, 2016) (Talib, Rahim, Thoo, & Hamid, 2017). This standard gives a deeper understanding of Halal as it specifies the general information related to the definition and requirements needed to implement Halal logistics in operation.

2.2 Halal Logistics Awareness

The Halal integrity of risks, which include raw materials, production, services, outsourcing, food security and logistics are six aspects as mentioned by Ali, Kim, Makhbul, & Ngah (2016). Based on the empirical study done by Isa and Ismail (2015), both Muslim and non-Muslim consumers at least have basic knowledge about the principle of Halal that has been practised in this country. However, awareness towards Halal logistics is still lacking in Malaysia, especially among Muslim consumers (Tieman, Che Ghazali, & Van der Vorst, 2013). This shows that more attention and studies should be given to uncover this aspect of Halal logistics to educate people more.

According to Merriam-Webster, awareness is a quality or state of alert: experience and perception that something happens or occurs. Aziz and Chok (2013) said awareness is the capacity to interpret, sense, and be aware which includes the perception of events and things (Aziz & Chok, 2013). Thus, it can be said that awareness is recognition and attention to particular aspects or objects. As for Halal logistics awareness, it means the recognition and perception of consumers on logistics processes that follows shariah compliance which in Malaysia, they use Malaysian Standards MS2400 (Shariff & Ahmad, 2019).

Halal logistics awareness is important for logistics service providers as it is crucial to gain trust, especially from Muslim consumers (Aziz & Chok, 2013). It is because the demand from the consumers itself will let the providers know that their Halal logistics services are needed; then, they can fulfil the demand. Without the demand, there is no use for providers to use Halal logistics in their operation. Different awareness stands for different consciousness levels. Research carried out by Ambali & Bakar (2012) found that religious belief, health reasons, logo and certification and also exposure have become significant reasons for awareness among Muslims regarding halal. The study also found that health reasons are the most significant markers of halal awareness.

2.3 Related Theory

The theory of planned behaviour (TPB) is a framework for understanding the relationship between beliefs and behaviour (Ajzen, 1991). It is a theory that explains human behaviour that has been applied in a variety of sectors, including advertising campaigns, healthcare, and public relations, to investigate the relationships between beliefs, attitudes, behavioural intentions, and behaviours. According to the theory, an individual's behavioural intentions and attitudes are formed by a combination of behavioural attitudes, subjective norms, and perceived behavioural control.

Attitude, subjective norms, and perceived behavioural control are three components of the Theory of Planned Behavior (TPB). According to the Theory of Planned Behaviour (TPB), attitude is an evaluation of human behaviour, subjective norms analyze the expectation and social pressure associated with behaviour, and perceived control is whether the human is comfortable or has a problem doing so (Ajzen, 1991). Using the theory, this study intended to determine the variables that influence knowledge of Halal logistics among Muslim consumers. These variables included religious belief, the Halal logo and certification, and exposure to an extra variable, which was health.

2.4 Religious Belief

In any decision-making process where it is the basis that leads a person to act legally and ethically, religion can be viewed as an important measure. In most religions, behaviour, including consumption, is prescribed, or prohibited. In fact, in Islam, foods, drinks and products of Halal are clearly stated as permissible, but human consumption of non-Halal is prohibited. Thus, it indicates that religion and belief are sources of consumer awareness. The human awareness concept in the Qur'an and Sunnah has been highlighted to guide Muslims to legal things in life, so to substantiate that understanding (Ambali & Bakar, 2012). Halal and haram are made known by Quranic orders and are obligated to be accepted as such by the believers.

Awareness of legal and illegal things, as Hadith says, has been given proper and clear attention in Islam.

“The Halal is that which Allah has made lawful in His book and the Haram is that which He has forbidden, and that concerning which He is silent, He has permitted as a favour to you”, (see Ibn Majah, No 3367).

It can be concluded from this hadith that people are aware of what is legal or illegal to consume by referring to the Al-Quran and Hadith because both resources have indicated what is consumable for Muslims. Hasan (2016) has studied the understanding and perception of Halal food among Muslim students in Kota Kinabalu, Sabah. The study investigated Halal awareness and assessed its relationship with religiosity and the Halal certification logo among Muslim students in Kota Kinabalu. The study indicates that customers with strong religious traditions are still worried about what they drink and eat. In the report, there is a positive relationship between religiosity and Halal awareness, the relevance of the Halal Malaysian logo to foodstuffs, and the significance for Muslim users of online and traditional media platforms for education and knowledge. Thus, the following hypothesis is formed as a result of the preceding writing and the purpose of this exploration study:

H1: Religious belief influence significantly awareness towards Halal logistics.

2.5 Health Reason

Not just religious beliefs can influence people's awareness of Halal goods or services but also health problems related to religious identity and acculturation in everything people consume on a day-to-day basis (Ambali & Bakar, 2012). The less nutrition and state of unhealthy what consumers consume every day is a cause of many modern health issues. This is closely connected with the argument about Halal consumption because Islam's primary objective on Halal is for people to have healthy lives. Halal calls for full commitment to the production and service for consumers of clean, safe food and products. Halal products, in other words, should be recognized as symbols of

cleanliness, safety and quality. It can be indicated that health reasons become another information source that allows people to know what they consume daily.

The main goal of Halal is to ensure that everything Muslim consumers consume is safe, healthy, and clean from any doubtful ingredients in Halal products. Any contamination from unsure materials can contaminate the products and be harmful to the consumers' health. Furthermore, Muslims cannot ignore the fact that human health is connected to fitness. Muslims interested in their health may choose Halal foods because they have healthy ingredients. Halal logistics goes the same way. This will then bring Halal logistics to a level of awareness.

Based on empirical research done by Ambali and Bakar (2012), the results show that health reason is the highest contributing reason to the degree of Halal awareness. This is because the Halal recognition of Halal products shows that the products are fully guaranteed to be safe, healthy, and also safe from any contamination from unsure materials available along the way of logistics processes. When consumers know that the products will be safer using Halal logistics, they will be more aware of it and thus, will keep using the services to gain the highest guarantee from the service providers. Hence, it can be said that health reason is one of the reasons Muslim consumers are aware of Halal logistics. Therefore, the hypothesis is as follows:

H2: Health reason influence significantly awareness towards Halal logistics

2.6 Halal logo and certification

As Muslim consumers become more familiar with their religion, the category of products and services they consume, or use will inevitably make them more particular. Moreover, in terms of nutrition and health issues, consumers are becoming increasingly more sophisticated, so the significance of informative labelling and the faith in the right to be properly notified should be strengthened. It is legally represented by the receipt of the Halal logo from the authority party that the products or products have undergone strict inspection and are safe to consume or use (Rusli, 2015).

Malaysia's Halal Certification is well-known around the world, and it is led by JAKIM, Malaysia's Islamic Development Department, which has attempted to export its experience and knowledge to countries seeking advice in establishing their Halal Certification Process (The Star, 2015). JAKIM's Halal mark in Malaysia has been extensively inspected and found to be safe, nutritious, and of high quality, and it has been certified to be used for the product or items supplied in Malaysia (Rusli, 2015). As a result, the Malaysian Halal standard is one of the strictest among equivalent certifications in other nations (Kawata, Htay, & Syed Salman, 2018).

The Halal logo and certification introduced by JAKIM raised Muslims' attention to the consequences of consuming or interacting with services according to Islamic rules and regulations (Omar, et. al., 2017). In Malaysia, Muslims use the Halal logo approved by government agencies to eat food, drinks and manufactured products. It is also believed that Halal certification added more value than the established certifications nowadays, for example, ISO standards (Muhammad, Talib, Hussein, & Jaafar, 2016).

Ambali and Bakar (2014) also believe that the Halal logo and certification issued by JAKIM have created more recognition among Muslim consumers. The logo and certification show how important the products and services need to follow the rules and regulations as issued by the authorities. The halal logo is a signal of awareness about the hygiene, health and safety of Halal products; thus it should be displayed on the trucks to be more visible and can prove that the providers really followed the shariah compliance and also the MS 2004 guidelines issued by a government agency. It also can be a marketing strategy to promote their services to the consumers as consumers can see the logo displayed on the truck. Hence, consumers especially Muslims can have a better awareness of Halal logistics. In light of the preceding writing, the following hypothesis is planned:

H3: Halal logo and certification influence significantly awareness towards Halal logistics

2.7 Exposure

One of Halal's main goals is educational exposure, which makes people know what types of products and services they are consuming in the context of safety and hygienic conditions (Ambali & Bakar, 2012). Educating them would make them disclose what they consume daily and make the right choice. Hence, the biggest responsibility is on the government or agency to deliver the knowledge and information regarding Halal logistics to the consumers (Omar et al., 2017). The information needs to be directed to the target group which is Muslim consumers especially. Nowadays, information can be transmitted easily by using technology. Besides using traditional media such as newspapers, brochures and radio; the authorities can use the mass media to convey knowledge to the people. It is way better in this modern age as information can be passed easily from one person or entity to another. Thus, this kind of exposure can increase the awareness level towards Halal logistics among Muslim consumers.

In this modern age of technological development, the government can make people aware of Halal. Through daily news, TV, radio, the Internet, or any other communication channel, people can learn about Halal logistics. All of these can hold an important role in giving Halal attention and exposure to information (Omar et al., 2017). Teaching exposure can therefore become an origin of Halal awareness of what Muslims consume. As a result, the following hypothesis is formulated:

H4: Exposure influence significantly with awareness towards Halal logistics

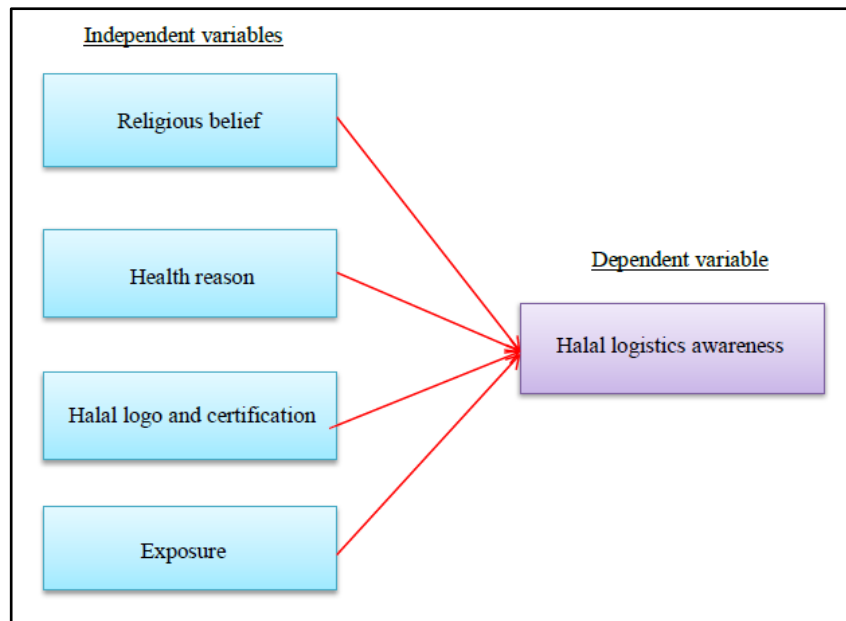


Figure 1: Conceptual Model

3. Methodology

SPSS is used to analyze the data that has been gathered. The population number of the current study is 220 740. Of the number, only 384 respondents are needed. This is in line with the sampling size proposed by Krejcie and Morgan (1970) in which the population is more than 100 000 ($N < 100\ 000$, $S = 384$). The survey design, questionnaire format and outline are produced using Google Docs. In addition, the survey can be answered online, where Google Docs generates the survey link, and participants just need to click the link that will lead them to the survey automatically. Respondents only needed to spend five to ten minutes completing all of the questions. It is easily accessible, and thus the sample is representative of Malaysian Malay young adult consumers. The questionnaire contains a total of 58 questions and was created in the English and Malay language only. The data was collected on 9 November until 19 November 2020. The researcher was able to obtain 100% completed questionnaires of the sample size required and was able to perform the analysis without much trouble.

To test the reliability of the construct, a reliability analysis was conducted. Validity checking is to make sure the instruments measure the intended concept.

Table 1: Reliability of the instrument used.

| Variable | Cronbach's Alpha |
|------------------------------|------------------|
| Awareness | 0.901 |
| Religious belief | 0.921 |
| Health reason | 0.892 |
| Halal logo and certification | 0.938 |
| Exposure | 0.901 |

The Cronbach Alpha value shows higher internal consistency reliability when the value is closer to 1.0 (Sekaran & Boughie, 2013). Thus, all items in this study are considered reliable.

4. Finding

The data from the questionnaire was analyzed by using the Statistical Package for Social Science (SPSS) version 20. To address the research objective which is to examine the relationship between the identified factors and Halal logistics awareness among consumers in Kubang Pasu, Kedah, correlation analysis is used to investigate the following hypotheses.

Table 2: Pearson Correlation

| | Awareness | Religious | Health | Logo | Exposure |
|-----------|-----------|-----------|--------|--------|----------|
| Awareness | 1 | | | | |
| Religious | .854** | 1 | | | |
| Health | .695** | .758** | 1 | | |
| Logo | .719** | .790** | .788** | 1 | |
| Exposure | .603** | .580** | .529** | .645** | 1 |

** . Correlation is significant at the 0.01 level (2-tailed).

Based on Table 2, the result proved a significant and positive relationship between the dependent variable (awareness towards Halal logistics) and independent variables (religious belief, health reason, Halal logo and certification and also exposure).

Religious belief and the Halal logo, show a very strong relationship with awareness among Muslim consumers with values of 0.854 and 0.719 (refer to Table 2). Meanwhile, the other two variables have a strong relationship with the dependent variable (health reason = 0.695, exposure = 0.603).

Multiple regression analysis, as stated by Sekaran and Bougie (2013), is used to study the relationship between the dependent variable (knowledge of Halal logistics) and the other variables (religious belief, health reason, Halal logo and certification and exposure).

The result found that R is 0.865 while the coefficient determination (RSquare) is 0.749 which means that 74.9% of the total variations in awareness towards Halal logistics can be seen by the relationship between the independent variables (religious belief, health reason, Halal logo and certification) and dependent variable.

Table 3: Standardized coefficients for the structure model.

| Hypotheses | Indicators | | |
|---------------------------|-----------------|---------------------------------------|-------------|
| | <i>R square</i> | <i>Standardized coefficients beta</i> | <i>Sig.</i> |
| H1: Religious – Awareness | 0.704 | 15.924 | 0.000 |
| H2: Health – Awareness | 0.079 | 1.822 | 0.069 |
| H3: Logo – Awareness | 0.003 | 0.060 | 0.952 |
| H4: Exposure – Awareness | 0.151 | 4.555 | 0.000 |

The table above shows that religious belief had a significant influence on the awareness towards Halal logistics among Muslim consumers (Beta = 0.704, t = 15.924, p < 0.005). Thus, the first hypothesis which is religious belief influences significantly with awareness towards Halal logistics is accepted. The second independent variable is health reasons. The table above, stated the value of the variable as Beta = 0.079, t = 1.822, p > 0.05. Thus, there is no significant influence of health reasons on awareness towards Halal logistics.

The next independent variable is the Halal logo and certification. In the table above, the result from the questionnaire done on this topic is Beta = 0.003, t = 0.060, p > 0.05. This shows that there is an insignificant influence between the Halal logo and certification on awareness towards Halal logistics. Thus, the hypothesis is not accepted. The last independent variable in this study is exposure. Based on the table above, the result is Beta = 0.151, t = 4.555, p < 0.05. Thus, it shows a significant influence between exposure and awareness towards Halal logistics among Muslim consumers.

5. Conclusions and Implications

5.1 Discussions of the Result

The objective of this study is to examine the relationship between identified factors (religious belief, health reason, Halal logo and certification, exposure) with the awareness towards Halal logistics among Muslim consumers.

To explain the characteristics of the respondents, the researcher used frequency analysis. Of 406 respondents, 178 respondents are male and while the other 228 respondents are female. Most of the respondents are 21 – 30 years old and the highest numbers of them are SPM leavers and also degree holders. The respondents also mostly are working in the private sector with some of them getting an income of less than RM 2 000 per month. Almost 90% of the respondents know about Halal logistics and 64.3% of the respondents relate Halal transportation to Halal logistics.

According to the result that has been mentioned in the previous chapter, it shows that religious belief had a significant influence on the awareness towards Halal logistics among Muslim consumers. From the regression analysis, the p for religious belief is 0.000 which is lower than 0.005. Thus, it shows that there is a significant influence on Halal logistics awareness. The finding of the current study is supported by the research conducted by Ambali and Bakar (2012). The same goes for the research done by Omar, Ramli, Jaafar, Hassan, Othman and Ali (2017). This is true to the statement by Ambali and Bakar (2012) which said that religious belief has been recognized as a significant factor in someone's attitude and lifestyle. Hence, religious belief has to influence Muslim consumers to aware of Halal products and services around them.

Next is health reason. According to the regression analysis done, the p-value for this variable as mentioned in Table 3 is 0.069. It is higher than the value of p that is needed which is 0.05. Thus, this result shows that health reason is not significantly influenced by Halal logistics awareness. This is in contrast to the research done by Ambali and Bakar (2012) and also the research done by Kurniawati and Savitri (2019). This is because this research focuses on Halal logistics awareness compared to the previous research made by both researchers that study Halal products. This shows that Muslim consumers could not directly relate the health reason to Halal logistics.

As stated in the previous chapter, the p-value for the Halal logo and certification is 0.952. This is more than the p-value it should be to prove the independent variable has a significant influence on Halal logistics awareness. To sum up, this hypothesis is not accepted in this research. The findings of this research are similar to research done by Omar et al. (2017), however, it is in contrast to research by Ambali and Bakar (2012) and also research by Kurniawati and Savitri (2019). This shows that the Halal logo and certification do not significantly influence the awareness of Muslim consumers on

Halal logistics. This is because consumers are more aware of the Halal logo on the products rather than services.

The last independent variable in this research is exposure. Based on the result, the p-value is 0.000. According to the regression indicator, the p-value shows the significant influence of the independent variable on the dependent variable. Thus, the hypothesis for this independent variable is accepted in this research. These findings correlate to the findings from the research made by Ambali and Bakar (2012), Fathi et al. (2015), Omar et al. (2017) and also the research done by Kurniawati and Savitri (2019). Exposure either through traditional media or mass media can help to spread awareness of Halal logistics among consumers, especially Muslims. One of the best methods to educate people on a particular issue is through exposure (Ambali & Bakar, 2012).

5.2 Research Contribution

This study has produced some of the impacts that would attract the attention of government agencies, society, educators and students. In promoting economic development, policymakers play a very important role as drivers of the state or society. In this research, Malaysia is generating a Halal Hub product centre, and the government must issue more regulations to ensure that the market meets the standards and regulations equally and promote the development of new strategies so that the social cultural, economic and other differences present in a multiracial society like Malaysia can be properly understood and responded to by the market. At the same time, JAKIM, Malaysia's Islamic Development Department, should enforce and amend legislation to comply with the Halal standards.

This study will help society, especially the Muslim community to have a better understanding of Halal logistics. This is because this researcher studies the awareness level towards Halal logistics among Muslim consumers. The increase in understanding of Halal logistics will help to increase the demand for this kind of logistics activities thus helping the marketer to predict future market direction.

5.3 Research Limitations

Because of certain conditions, this research is unable to encompass all the variables. The researcher will have to face several limitations in the study, according to Brutus, Aguinis and Wassmer (2012). First of all, the limitations faced by the researcher are the accuracy of the information that does not represent all Muslim consumers in Kubang Pasu as a result of this study. Second, this research does not consider testing other variables that could mediate or moderate the relationship between independent and dependent variables. Eventually, the limitation of this study was the non-probability sampling technique, a convenient sampling that has a high likelihood of unfairness and leads to criticism. Using convenience sampling, however, could give better results because researchers can use a randomization sample to obtain necessary (basic) and trend information about their study without complexity. Although all

necessary steps in convenient sampling are carefully followed, the probability sampling method should be considered for future research.

Because of the research type, which is quantitative research using the questionnaire will take a longer period for the data to be collected. A Google Docs online survey was therefore chosen as an approach rather than physical delivery to reach the targeted population. In addition, the researcher must also post the link to the google form and share it many times through the online platform to attract more respondents.

5.4 Recommendations

A few issues have been emphasised in the research for this study and it should be helpful to do further research. Several areas where the data is missing have already been highlighted and in particular, there is a lack of comparable variables. The study can help to be more valid and reliable with more independent variables. The number of related independent variables could be added by future studies. There are fields of variable development, which is the number of questions in each questionnaire section. The reliability of the variable will show how free the question from random error is by a lot of questions given.

The area of investigation for this research only covers Kubang Pasu, where its Muslim consumers are much smaller than in other areas in Kedah. Accordingly, the research area should include other larger areas with Muslims as the primary focus of the study. The result from that area may be more similar and will provide the halal industries with an accurate direction for expanding their segmentation. Future work may conduct a similar study with a wider range of criteria for respondents. The explanation is that people worry about Halal is different regarding where the research was conducted.

This study also needs to be further analysed to increase the level of Halal logistics among Muslim consumers in Malaysia. To provide and give information to Muslim consumers on the importance of awareness and concern for halal in human life, particularly as Muslims, the government and non-governmental organisations should be more active.

References

- Ajzen, I. (1991). The theory of planned behaviour. *Organizational Behavior and Human Decision Processes*, 50(2), 179–211. [https://doi.org/10.1016/0749-5978\(91\)90020-t](https://doi.org/10.1016/0749-5978(91)90020-t)
- Ali, M., Kim , H., Makhbul, Z., & Ngah, A. (2016). Augmenting Halal Food Integrity through Supply Chain Integration. *Jurnal Pengurusan*, 48, 21-31.

- Ambali, A. R., & Bakar, A. N. (2014). People's Awareness on Halal Foods and Products: Potential Issues for Policy-makers. *Procedia - Social and Behavioral Sciences*, 121, 3–25. <https://doi.org/10.1016/j.sbspro.2014.01.1104>
- Aziz, Y. A., & Chok, N. V. (2013). The Role of Halal Awareness, Halal Certification, and Marketing Components in Determining Halal Purchase Intention Among Non-Muslims in Malaysia: A Structural Equation Modeling Approach. *Journal of International Food & Agribusiness Marketing*, 25(1), 1–23. <https://doi.org/10.1080/08974438.2013.723997>
- Chin, T. A., Abdul Hamid, A. B., Talib, M. A. T. A., & Abu Rahim, M. A. R. (2017). Logistics service provider's perceptions on *halal* logistics certification. *International Journal of Logistics Economics and Globalisation*, 6(4), 311. <https://doi.org/10.1504/ijleg.2017.10009119>
- Fathi, E., Zailani, S., Iranmanesh, M., & Kanapathy, K. (2016). Drivers of consumers' willingness to pay for halal logistics. *British Food Journal*, 118(2), 464–479. <https://doi.org/10.1108/bfj-06-2015-0212>
- FLY Malaysia. (2020, February 21). *The Halal Industry: Does it Affect Malaysia's Economy?* Retrieved from FLY Malaysia: <https://www.flymalaysia.org/the-halal-industry-does-it-really-affect-malysias-economy/#:~:text=As%20for%20the%20halal%20scene,as%20a%20Muslim%20majority%20country.>
- Global Halal Industry*. (2018). Retrieved from Halalan Quality Consultancy PLT: <http://www.halalanquality.com/halal2/index.php/halal/halal-industry/global-halal-industry>
- Halal Development Corporation. (2010). *Industry Development*. Retrieved from Official Website Halal Development Corporation Berhad: <https://www.hdcglobal.com/industry-development/>
- Hasan, H. (2016). A Study of Awareness and Perception Towards Halal Foods among Muslim Students in Kota Kinabalu. *Proceedings of the Australia-Middle East Conference on Business and Social Sciences 2016*, Dubai.
- Iranmanesh, M., Mirzaei, M., Parvin Hosseini, S. M., & Zailani, S. (2019). Muslims' willingness to pay for certified halal food: an extension of the theory of planned behaviour. *Journal of Islamic Marketing*, 11(1), 14–30. <https://doi.org/10.1108/jima-03-2018-0049>
- Isa, M., & Ismail, R. (2015). Understanding the Level of Halal Awareness among Muslim and Non-Muslim Young Consumers in Malaysia. *Symposium on Technology Management and Logistics (STMLGoGreen)*.

- Ishak, S. (2017). *Awareness Attitude towards Halal Food Products among Muslim Youths in Gombak, Malaysia*. Universiti Utara Malaysia.
- JAKIM. (2020). *Halal Malaysia Directory*. Retrieved from Halal Malaysia Official Portal:
<http://www.halal.gov.my/v4/index.php?data=ZGlyZWV4X2RpcmVjdG9yeTs7Ozs=>
- Kamaruddin, R., Iberahim, H., & Shabudin, A. (2012). Willingness to Pay for Halal Logistics: The Lifestyle Choice. *ASEAN Conference on Environment-Behavior Studies*. Bangkok.
- Kawata, Y., Htay, S. N. N., & Salman, A. S. (2018). Non-Muslims' acceptance of imported products with halal logos. *Journal of Islamic Marketing*, 9(1), 191–203.
<https://doi.org/10.1108/jima-02-2016-0009>
- Krejcie, R. V., & Morgan, D. W. (1970). Determining Sample Size for Research Activities. *Educational and Psychological Measurement*, 30(3), 607–610.
<https://doi.org/10.1177/001316447003000308>
- Kurniawati, D., & Savitri, H. (2019). Awareness Level Analysis of Indonesian Consumers toward Halal Products. *Journal of Islamic Marketing*, 3(2), 522-546.
- Lestari, Y., Susanto, J., Simatupang, T., & Yudoko, G. (2018). Intention towards Halal Logistics: A Case Study from Consumers in Indonesia. *J for Global Business Advancement*.
- Majid, D. (2018). Willingness to Pay Halal Logistics among non-Muslim Consumers in Universiti Utara Malaysia.
- Manshor, S., Razaly, M., & Noh, K. (2013). Challenges in Implementing Halal Logistics towards Industry Players. *Konferensi Antarabangsa Islam Borneo*. Kuching, Sarawak.
- Masudin, Fernanda, F. W., & Widayat, W. (2018). Halal Logistics Performance and Customer Loyalty: From the Literature Review to a Conceptual Framework. *International Journal of Technology*, 9(5), 1072.
<https://doi.org/10.14716/ijtech.v9i5.1919>
- MATRADE. (2019). Matrade.gov.my. <https://www.matrade.gov.my/en/>
- MITRANS. (2012). The Value and Advantage of Halal Logistics. *Halal Logistics Conference 2012*.

- Mohd Nawawi, M. S. A., Abu-Hussin, M. F., Faid, M. S., Pauzi, N., Man, S., & Mohd Sabri, N. (2019). The emergence of the halal food industry in non-Muslim countries: a case study of Thailand. *Journal of Islamic Marketing, ahead-of-print*(ahead-of-print). <https://doi.org/10.1108/jima-05-2018-0082>
- Muhammad, A., Talib, M., Hussein, M., & Jaafar, H. (2016). Motivations to Implement Halal Logistics Management Standards: A Review. *Proceedings of the 3rd International Halal Conference*. Singapore: Springer Nature Singapore Pte Ltd.
- Nadzmi, M., & Iskandar, M. (2020). Factors Influencing Adoption of Halal Logistics among Warehouse Operators. *Journal of Halal Studies*.
- Ngah, A. H., Zainuddin, Y., & Thurasamy, R. (2015). Barriers and enablers in adopting of Halal warehousing. *Journal of Islamic Marketing*, 6(3), 354–376. <https://doi.org/10.1108/jima-03-2014-0027>
- Omar, E., Ramli, A., Jaafar, H., Hassan, L., Othman, A., & Ali, H. (2017). Factors that Contribute to Awareness of Halal Logistics among Muslims in the Klang Valley. *Advances of Business Research International Journal*, 3(1), 1-8.
- Potluri, R. M., & Potluri, L. S. (2017). Qualitative Research on Decisive Issues of Halal Logistics In India. *The East Asian Journal of Business Management*, 7(4), 27–33. <https://doi.org/10.13106/eajbm.2017.vol7.no4.27>
- Radzi, N., Azmi, A., & Samicho, Z. (2016). Halal Food Warehouse: Challenges and Solutions. *Journal of Applied Environmental and Biological Sciences*, 80-85.
- Rahim, N. @ F. binti, Shafii, Z., & Shahwan, S. (2015). Awareness and Perception of Muslim Consumers on Halal Cosmetics and Personal Care Products. *International Journal of Business, Economics and Management*, 2(1), 1–14. <https://doi.org/10.18488/journal.62/2015.2.1/62.1.1.14>
- Sekaran, U. and Bougie, R. (2013) *Research Methods for Business: A Skill-Building Approach*. 6th Edition, Wiley, New York
- Shafii, Z., Shahwan, S., & Rahim, N. (2015). Awareness and Perception of Muslim Consumers on Halal Cosmetics and Personal Care Products. *International Journal of Business, Economics and Management*, 1-14.
- Sham, R., Rasi, R. Z., Abdamia, N., Mohamed, S., & Thahira Bibi, T. (2017). Halal Logistics Implementation in Malaysia: A Practical View. *IOP Conference Series: Materials Science and Engineering*, 226, 012040. <https://doi.org/10.1088/1757-899x/226/1/012040>

- Shariff, S., & Ahmad, N. (2019). Halal Logistics Operations in MS2400 Standards: A Literary Review. In F. Hassan, I. Osman, E. Kassim, B. Harris, & R. Hassan, *Contemporary Management and Science Issues in the Halal Industry*. Springer.
- Soon, J. M., Chandia, M., & Regenstein, J. M. (2017). Halal integrity in the food supply chain. *British Food Journal*, *119*(1), 39–51. <https://doi.org/10.1108/bfj-04-2016-0150>
- Susanty, A., Puspitasari, N. B., Caterina, A. D., & Jati, S. (2021). Mapping the barriers to implementing halal logistics in Indonesian food, beverage and ingredient companies. *Journal of Islamic Marketing*, *12*(4), 649–669. <https://doi.org/10.1108/jima-11-2019-0244>
- Talib, M. S. (2021). Identifying halal logistics constraints in Brunei Darussalam. *Journal of Islamic Marketing*, *12*(6), 1145–1158. <https://doi.org/10.1108/jima-09-2019-0189>
- Talib, M. S. A., Hamid, A. B. A., Zulfakar, M. H., & Chin, T. A. (2015). Barriers to Halal logistics operation: views from Malaysian logistics experts. *International Journal of Logistics Systems and Management*, *22*(2), 193. <https://doi.org/10.1504/ijlsm.2015.071545>
- Talib, M., Rahim, M., Thoo, A., & Hamid, A. (2017). Logistics Service Providers' Perceptions on Halal Logistics Certification. *International Journal Logistics, Economics and Globalisation*.
- The Star. (2015, November 25). *Malaysia is World Pioneer in Halal Industry*. Retrieved from The Star: <https://www.thestar.com.my/business/business-news/2015/11/25/malaysia-is-world-pioneer-in-halal-industry>
- Tieman, M., Che Ghazali, M., & van der Vorst, J. G. A. J. (2013). Consumer perception on halal meat logistics. *British Food Journal*, *115*(8), 1112–1129. <https://doi.org/10.1108/bfj-10/2011-0265>
- Yudoko, G., Simatupang, T. M., Susanto, J. M., & Lestari, Y. D. (2018). Intention towards halal logistics: a case study of Indonesian consumers. *J. For Global Business Advancement*, *11*(1), 22. <https://doi.org/10.1504/jgba.2018.10014403>
- Yunos, R. M., Mahmood, C. F. C., & Mansor, N. H. A. (2014). Understanding Mechanisms to Promote Halal Industry-The Stakeholders' Views. *Procedia - Social and Behavioral Sciences*, *130*, 160–166. <https://doi.org/10.1016/j.sbspro.2014.04.020>
- Yusoff, S. Z., & Adzharuddin, N. A. (2017). The factor of Awareness in Searching and Sharing Halal Food Products among Muslim Families in Malaysia. *SHS Web of Conferences*, *33*, 00075. <https://doi.org/10.1051/shsconf/20173300075>

Zulfakar, M., Jie, F., & Chan, C. (2011). Halal Food Supply Chain Integrity: From A Literature Review to A Conceptual Framework. *Supply Chain and Services Management Symposium*. Melbourne.

PART III: NATIONAL SECURITY

ENVIRONMENTAL SECURITY AND SOCIAL PROBLEMS IN SOUTHEAST ASIA

Mohamad Faisol Keling¹ & Md Shukri Shuib²

School of International Studies
College of Law, Government and International Studies (COLGIS)
University Utara Malaysia
Email: m.faisol@uum.edu.my¹ & md.shukri@uum.edu.my²

1.0 Introduction

When cold war era, national security concept frequently associated with threats of military and known as threatening shaped traditional. Military element power competition and use as diplomacy elements had placed national security concept focussed on military threat aspect although currently have existed crisis and conflict due to environmental and social factor. This means that environment and social problems problem in fact have existed since cold war era more however, these issues never given as threatening attention to national security. Although debate there were some diutarakan in UN conference in year 1972 related to environment and humanity issue, however these issues do not get serious attention by countries and regarded as issue behave low politics.

After collapse its Soviet Union in 1991, security concept also undergo changes. Master shelf seen those issues considered low politics this also capable of jeopardizing security one country. Hence, security concept also involve environmental issues, humanity, social problems and economy as element in national security . This concept changes also involve shelf studies master in region countries Southeast Asia to extend national security concept. Even NAT also experienced security and issues concept changes considered low politics have started given attention by South-East Asian countries.

2.0 The Concept Of Security And Environmental Security

In looking security definition, it will include shaped elements physical instead of physical (psychology)¹. Definition form security is include 2 figures namely related security with traditional and threatening threat untraditional. Traditional security threat is connected with military threat or use of force while threat untraditional was related

¹ Donald M. Snow (1990) National security: Defence policy in a changed international order. L.K. Caldwell, International environmental policy: Emergence and dimensions, Duke University Press, Durham. pg 71

with those issues not involve military aspects. Jasjit Singh And Thomas Bernauer (1993) states that security-is those term behave subjective and related to perception². Mohammed Ayoob (1984)³ also state security definition related to Third World Countries (TWC) by stating that major security threat to TWC is the result of internal one myself country compared external threat because it is related with inside community life one country.

Definition above showed that there is country internal elements can provide threat to one country. According Caroline Thomas (1996)⁴, environmental issue, debt burden, economic crisis, poverty, increase of population and drug problem is form of new threat to countries . This Caroline Thomas's definition had been relating national security threat with issues not tadisional (issue not military) as threat forms afford break in on criticize security of a nation. In same time, ecology problems, pollution, currency speculation and economic problem can become factor to having conflicts⁵. Aspects not traditional threat have started given attention especially since the end of Cold War in 1991. In frequent security threat Cold War era are seen with threat–related threat with military action by one country, on the other hand after the end of Cold War in 1991, couple of things that put aside when cold war era such as issue problem environment, poverty, community safety, economic security and and drug problem like have started get attention as those issues be able to threatening national security. P.H Loitta (2000) said:-

² Braden Allenby (2000). Environment security: Concept and implementation, *International Political Science Review*, Vol. 21, Bil. 1. pg 5-21. Jasjit Singh dan Thomas Bernauer (1993). *Security of the Third World Countries*, Darmouth Publishing Company Limited, UNIDIR. pg 1

³ Mohammed Ayoob (1984). Security in the Third world: the worm about to turn?, *International Affairs*, Vol. 60, Bil.1. pg19.

⁴ Caroline Thomas (1996). Third World security. In Roger Carey dan Trevor C. Salmon (pnyt), *International security in the modern world*, MacMillan Press Ltd, London. pg 105

⁵ Kamarulnizam Abdullah dan Mahmud Embong (1998) Kepentingan strategik di dalam keselamatan negara Malaysia, *Jurnal Jabatan Sejarah Universiti Malaya*, Bil 6, Kuala Lumpur. pg 151-175

“Security is about more than protecting the country from the external threats; security includes economics security, environmental security and human security”⁶

This means that issues not traditional that does not get attention when Cold War need to be valued again and could not be neglected national security within the context. Directly it had showed security definition has dipeluaskan and no more focussed on military threats only⁷.

2.0 The Non Traditional Issues Relating To The National Security Concept

Problem convergence environment as national security threat is related with effect of an action on human civilization. After Cold War, national security concept also encompasses threat not tradition such as transnational threat such as drug trafficking, weapon proliferation, refugee problem, resource scarcity and natural disaster⁸. According Aziz Ishak (2002) :-

“In fact environmental issues is new threat to world. World scenario change after Cold War also triggered world peace new concept. This change trigger concept new thinking security or what describe as Comprehensive Security (comprehensive security). A few security issue increasingly colour today's world was environment apart from ethnic dispute, economy, resource scarcity, international terrorism, drug trafficking, human right, migration, health and increase of population”⁹.

Barry Buzan (1998) see environment security threat need to be focused to threat on human civilization. Generally Barry Buzan already divided environment security threat to 2 figures namely¹⁰:-

⁶ P. H. Liotta (2000). To die for: National interest and strategic uncertainties, *PARAMETERS*, U.S Army War College Quarterly, Summer. pg 46

⁷ D. A Baldwin (1996). Security studies and the end of Cold War, *World Politics*, Vol. 48, Bil. 1. pg 118

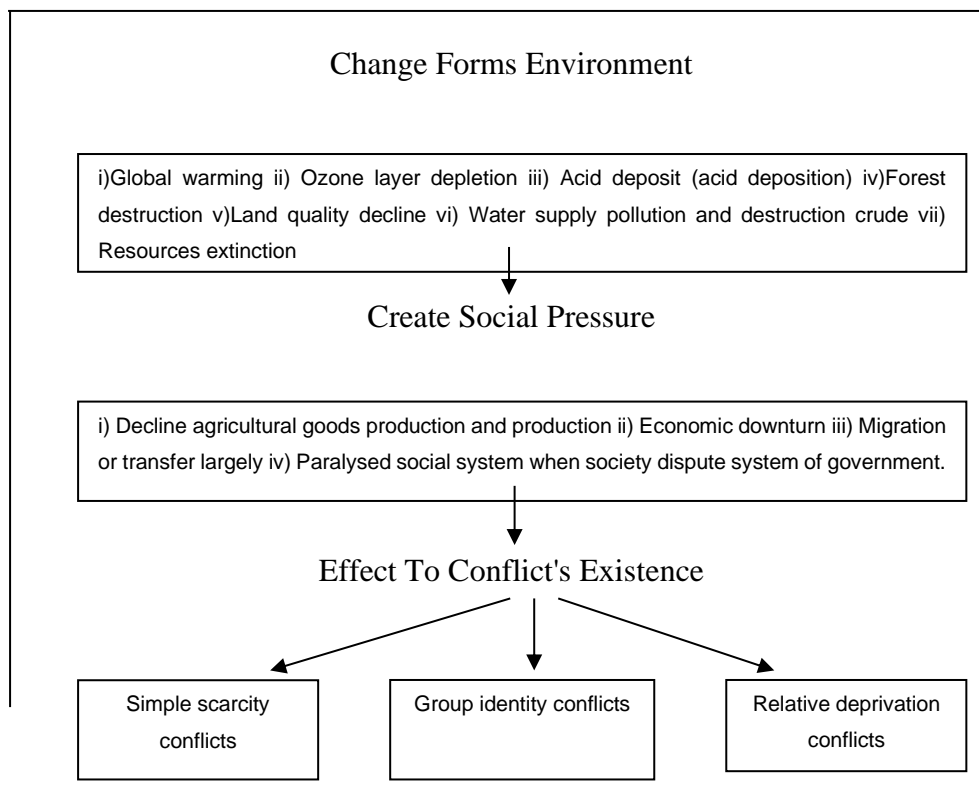
⁸ Hari Singh (2004). Malaysia's national security: Rhetoric and substance, *Contemporary Southeast Asia*, Vol. 26, Bil. 1. pg 3

⁹ Aziz Ishak (2002). Isu alam sekitar ancaman baru Asean, *Massa*, Bil.331, 23 Feb-1 Mac 2002.pg 18-20.

¹⁰ Barry Buzan (1991). *People, state and fear*, Harvester Wheatsheaf, London. pg.116-134

- i) Threat born from activities non-human namely threat- natural threat like flood, earthquake, drought, volcanic eruption etc
- ii) Threat born from human activities to ecosystems such as exploitation uncontrolled, toxic waste disposal, fire, oil spill etc ¹¹.

Diagram 1 : Thomas Homer Dixon's Opinions On Environment Security Threat.



Source: Thomas Homer Dixon, On the threshold: Environmental changes as causes of acute conflict, *International Security*, Vol. 16, Bil. 2, 1991. hlm 83-88.

Based on explanations above it shows those issues considered low politics have the ability to impress threat to human civilization and threatening this national security when issues started spread and cause conflict between society or country. In fact

¹¹ Barry Buzan Ole Waever and Jaap de Wilde (1998). *Security: A new framework for analysis*, Lynne Rienner Publishers Inc, Boulder. pg 79-80

according L.R Brown and co (1990), environment phenomenon's impact is may be likened with nuclear war effect based on his ability destroy natural system¹².

3.0 How these issues can create conflict and threaten national security?

Poverty is issue that does not get attention in cold war era. However in the fact is poverty will also threatened security of a nation and it is a process and take time to spawn conflict and tension. For example, according Norman Myres (1993) study environmental problems to national security states that Philippine government activity which carried out deforestation and felling without control already affected community life standards hill . This activity also disturb economy and society ' income resources hill when areas have been exploited by the government. This phenomenon is had created problems of poverty and break in on community's social life¹³ .

Directly, it had created social pressure between with the government and society (people's who lives in highlands) and motivate these people's to get up opposing government through support rebel movements such as "New People's Army" that is believed having 25,000 members. Fugginess also can be seen in several well off area in poverty level in Irian Jaya and Indonesian Kalimantan. Consequence of the exploitation poverty by the government has become reason to occurrence of rebellion and ethnic conflict¹⁴. According D. A Baldwin (1996) domestic poverty and global poverty is threat phenomenon not military which threatened security of a nation especially Third World Countries¹⁵ .

Apart from that, resource scarcity problem or environmental scarcities¹⁶ also gave security threat to one country. This is because environment and exploitation change uncontrollable by man on environment will threaten and shake natural resources earth. Directly, these actions would lead to occurrence of decline in quantity aspects and source quality. For example, struggling problem sources of water which became struggling and conflict in middle east nations. Boutros Boutros Ghali namely main former secretary United Nations (UN) have said that it will be a war in Middle East area due

¹² L.R. Brown et.al (1990). *Dunia sedang terancam*, Zulkifli Salleh, Rosli Omar dan Zaini ujang (trj), INSAN, Kuala Lumpur. pg 81

¹³ N. Myers (1993). *Ultimate security: The environmental basis of political stability*, W.W Norton & Company, London. pg 85-92

¹⁴ K.S Balakrishnan (20012). Regionalisme dan isu-isu keselamatan serantau, *Pemikir*, Bil. 25, Julai-September.pg 16-20

¹⁵ D. A. Bladwin (1996). *Op.Cit.* pg 126

¹⁶ Mohd Ridzuan Mohamad (1997). Krisis air dalam 30 tahun lagi, *Massa*, Bil. 77, 8 Mac. pg 54

to water problems and are not because of oil factors¹⁷. Countries like Iraq, Turkey and Syria have been involved in war because of water sources dispute from Tigris River and Euphrates. Apart from that, Jordanian, Israel, Lebanon also have been involved in conflict to get a water sources¹⁸.

Apart from that, Egypt, Euthopia and Sudan also involved in water conflicts from Nile River, while India and Pakistan are involved in Ganges River water's conflict. Conflict of water sources do not just happened in that areas, but according L.Ohlsson (1995¹⁹), struggling problem sources of water also involve countries in Southeast Asia region where Mekong River shared by China, Vietnam, Cambodia, Lao and Thailand had raised a few dispute between country in authority struggling on Mekong River. Countries action that shares source hold restrictions or dam project construction will encourage having tension between that countries. This scenario is liable would create misunderstanding which it directly had caused emergence of tension between involved countries. For example, Myanmar ' action build Sungai Naf's dam in Totarida in 8 January 2001 of agriculture purposes have been misinterpreted by Bangladeshi (neighbour) which took approach put 10,000 thousands military in as long as 320 kilometres Bangladeshi Myanmar's border²⁰. Apart from that, water problems besides also involved crisis which affects bilateral ties between countries namely Singapore and Malaysia²¹. Examples above had pointed out that environmental issues able to bring nation into conflict whether involving military conflict or no. Directly issues such as had been harassing criticize national security and should give as threatening attention to national security²².

¹⁷ Lloyd Timberlake (1985). *Africa in crisis: The causes, the cures of environmental bankruptcy*, International Institute for Environment and Development, London.

¹⁸ Israel ancam serang Lubnan, *Berita Harian*, 14 September 2002. pg 22

¹⁹ L.Ohlsson (1995). *Hydropolitics: Conflicts over water as a development constraint*, Zed Books, London. pg 21

²⁰ Sempadan Myanmar-Bangladesh tegang, *Massa*, Bil. 275, 20-26 Januari 2001. pg 42

²¹ Joey Long (2001). Desecuritising the water issue in Singapore-Malaysia relations, *Contemporary Southeast Asia*, Vol. 23, Bil. 3. Disember.

²² P.H Gleick (1993). Water and conflict: fresh water resources and international security, *International Security*, Vol. 18, Bil. 1, Summer.

4.0 Environment Problems In Southeast Asia

4.1.1 Pollution

Marine pollution was one problem that needs to be seriously looked into by ASEAN. Found various factors which resulted this marine pollution happening like oil spill by oil tanker, pickings release toxoid, disposal of the rubbish etc. Oil spill by tanker were the subject common in this region. This is because Malaka channel's route and South China Sea is busiest trade route which connects east and western. This Permasalahan seen afford threatening countries security inshore coast when oil spill incidents which occurred along South China Sea and Straits Of Malacca was always increase namely 24 cases in year 1993, 93 case in year 1995 and increasing to 69 cases in year 1996. According D Rosenberg (1999):-

“The South China Sea, the busiest shipping lane and surrounded by some of the most rapidly industrializing countries in the world, is becoming a sink for regional environmental pollution. Countries bordering the South China Sea have usually been more concerned with maximizing national economic growth and ensuring adequate energy supplies than in preserving thier regional environment”²³.

This incident most caused by oil tanker collision, current leak oil tank transfer and cleaning etc. Either largest oil spill case has happened in Southeast Asia region was in year 1992, when Tangki Nagasaki Spirit's ship collided with a Ocean Blessing's container ship which resulted over 13 tonnes crude oil spill to the sea. Danger faced is pollution which occurred oil spill result to the sea and directly spread sensitive areas such as mangrove swamp in beach coastal.

Apart from that, industrial pollution such as remnants dismissal toxoid uncontrolled also was one issue sight be able to threatening national security in South-East Asia²⁴. Remnants toxoid this constitute iron, poison and matters matters other chemical dialirkan from industrial factories or from to the sea agricultural area. Remnants toxoid this is very dangerous and could cause marine life and human destruction. In June 2004, Malaysia had been surprised with smuggling issue 200 containers waste toxoid from Taiwan. This smuggling was one sabotage which might could threaten Malaysia's surroundings and his general South-East-Asia.

²³ D. Rosenberg (1999). Environmental pollution around the South China Sea: Developing a regional response, *Contemporary Southeast Asia*, Vol. 21, Bil. 1. April. pg 119

²⁴ A. Dupont (1998). The environment and security in Pacific Asia, *Adelphi Paper*, Bil 319, IISS. pg12-13

4.1.2 Haze

Other problem faced by Southeast Asia region other than waters problem was haze problem. This haze problem are sourced of wildfire in several province in Indonesia namely in North Sumatra and Riau which resulted serious haze phenomenon in Sumatra, Peninsular Malaysia's part and Southern Thailand. This state is have compelled Malaysia mengistiharkan emergency in areas that record Air Pollution Index (IPU) critical . Main cause to haze problem was forest fires due to wildfire and illegal logging activity. Apart from that, hot and dry weather condition has been accelerated more incineration process can bring fire in large scale. LR Brown (1998) said :-

“A plume of smoke larger than the continental U.S has spread across Southeast Asia, turning the skies dark and leaving at least 20 million people choking on air that has become a toxic soup, killing hundreds outright. The areas affected include Brunei, Indonesia, Malaysia, Papua New Guinea, Philippines, Singapore, Thailand and Vietnam. The massive forest and peat fires swept Borneo and Sumatra in the fall of 1997 and sent life-threatening pollution to cities more than 1000 kilometers away”²⁵.

This haze problem, brought much adverse impact to countries- involved country especially regional states. The newest haze problem occurring on month August 2004 where were several area such as Port Klang and Kuala Selangor forced diisyhtiharkan emergency. Apart from that, involved countries also forced to bear the loss large effect of haze problem. This haze problem would result visibility be limited and vague, directly force disturbed daily activities and capped. Fugginess give loss to one country. For example, a few flight activity have to be cancelled limited visibility result. This flight cancellations is had caused Malaysian government bear big loss when tourism industry which account big contributor to South-East Asian countries economy also affected. Haze problem which hit South-East Asian countries no only give loss to one country, on the other hand it also cause disease to society. According Universiti Putra Malaysia's report and impact of changes centre global Southeast Asia in year 1998, Malaysia face loss which hit RM 794 million due to haze problem which hit in 1997 and 1998²⁶ .

4.1.3 Deforestation

Deforestation was one global issue often discussed in environment conferences whether at regional level or global. Forest was the source which possess very high commercial value on economic sector one country. Activity pembalakkan largely without careful

²⁵ L.R Brown et.al (1998). *State of the world 1998*, W.W. Norton, New york. 1998. pg xvii

²⁶ Kalimantan diselubungi jerebu, *Massa*, Bil. 358, 31 Ogos-6 September 2002.pg 34-35

planning would give bad impact to one country especially effect to natural resource decline country . Effect of deforestation would create open burning in order to to open new settlement or carry out plantation activities largely²⁷.

When fire occurs, often this fire is difficult is governed and this problem would create haze phenomenon. Indonesia especially still failed check wildfire activity among logging companies and plantation in his territories . This failure are because wildfire method is easy method and save cost of new constituencies opening process²⁸. Apart from that, plantation companies stubbornness (which inflame widely) this also had caused failed Indonesian government prevent this problem-oriented. Even this state of things also caused efforts in ASEAN level hit a dead end²⁹ .

4.1.4 Dispute over Mekong River

Mekong's river is river bertanggungjawab water plain areas involve 6 countries namely China, Vietnam, Cambodia, Lao, Myanmar and Thailand. This river is pulse to that countries whether from economy and social activity aspect society. Due to resource scarcity and Mekong River's interest, it has prompted to dam construction by several those countries share and picketed as effort ensure sources of water be maintained. However, actions such as dam construction, border and activities division its river pollution were generating conflict and tension between countries that shares source . This phenomenon able to bring up tension and conflict between countries due to affected respective national interest. According Donald Weatherbee (1996) :-

“The cooperative programmes have to overcome the long-standing patterns of ethnic and geo-strategic conflict that have made the Mekong region the “Balkans of Asia”³⁰.

Source struggling which occurred in this Lembah Mekong is obviously indicating environment importance of issues looked after because it can give security threat to

²⁷ Rahaiza Ismail dan Hamidah Zabidi (2000). Pengawasan jerebu tidak berkesan, *Massa*, Bil. 250, Julai. pg 27

²⁸ Muhd Zuki Pileh (2002). Kebakaran hutan bencana membimbangkan, *Massa*, Bil.331, 23 Feb-1 Mac. pg 12-15

²⁹ Abu Bakar Yang (1998). *Alam sekitar anugerah tuhan*, Institut Kefahaman Islam Malaysia, Kuala Lumpur. pg 72-73

³⁰ Donald E Weatherbee (1996) *Cooperation and conflict in the Mekong river basin*, Department of Government and International Studies, University of South Carolina, Columbia. pg 167-184

countries. Hence, national security no more focussed on threat or military action only, on the other hand it also involve environmental issues.

4.1.5 Water problems

Water issue do not just limited to pollution only, on the other hand it able lead to war between countries. This distinctly visible Arab Israil's in war Sungai Nil struggling's following between second country. This issue doubled up tension factor between countries in South-East Asia namely issue which involves Malaysia and Singapore. Water issue which involves Malaysia Singapore is issue that is so long be spine in relationship between both countries. However, Singapore adopt attitude half-heartedly and consider that this issue no need to be raised by Malaysia because it is signed agreement between both countries. Agreement water supply was signed in 1 September 1961 and in 29 September 1962. Through this agreement, Malaysia will supply as much as 350 millions water gallon crude a day to Singapore with as much as rate of payment 3 cents for every 1,000 gallons and Singapore would sell back treated water to Johore with rate 50 cents for each 1,000 gallons³¹ .

This phenomenon is clear show Malaysia no in the black resulted as selling water to Singapore, on the other hand Malaysia also those forced to bear the loss. For example, in year 2001, Singapore attract as much as profit RM 662.5 million by just pay cost as much as RM 2.39 million long water supply a year. This mean Singapore citizen only required to pay 26 cents Singapore (US 15 cents) a year for water supplied by Johore. However, Malaysia have tried to hold discussion semuls between second country to check again signed agreement specific to resolve this issue.

4.1.6 Sea Dredging

Filling issue sea is one of the issues afford intrude criticize Malaysia Singapore's relationship and indirectly involving interrelationship country in membership ASEAN . This issue problem arise due to Singapore ' action doing activity sea embankment in south east Pulau Tekong (Singapore) which this activity is had caused become narrow shipping lane and increasingly shallow up to big ships which uses Malaysian waters to Port Of Tanjung Pelepas forced move use Singapore port. Apart from that, found three more impact of sea embankment Singapore namely current be increasingly tough in Selat Johor's area waters result be increased narrow, occurrence of sand movement in sea bed until become shallow and plant and marine life destruction up to affect Johore fisherman ' income and this case indirectly will be distracting Malaysian waters border³².

³¹ Rusdi Omar et.al (2005). *Hubungan Malaysia-Singapura era Mahathir*, Penerbit Universiti Utara Malaysia, Sintok. pg 32

³² Salina Abdullah (2002). Tambak laut tetap beri kesan negatif, *Berita Harian*, 25 April.pg 5

According project expert versatile and coastal erosion, Profesor Dr Abdul Azizi Ibrahim, this sea embankment project could result in current change faster and this would affect to coastal erosion form in Johor because parts of Singapore might be unprotected by seawall. Embankment works will cause Pantai Johor polluted with garbage dumped from Singapore whether by sewage or hidden. What is more worrying occurrence of Selat Johor's water pollution by sewage or factory waste which operates in the filling area because disposal activity could do under sea bed trough. Although Singapore has the right to do development in their waters, however neighbouring as the nation, Singapore must concerned will his act of state effect the on its neighbours country particularly Malaysia. While Malaysian government also necessary mark water boundary so that sea embankment which is done by the Singapore non-aggression and intrude Malaysian waters border³³.

As such, to resolve this problem-oriented, Malaysian government has picked to method used arbitrate due to failure a few round of negotiations with Singapore side. According Malaysia's Prime Minister mantan, Tun Dr Mahathir Mohammad, he eyes best means to resolve this issue was by referring to third party (party international arbitration) follow Konvensyen PBB concerns Maritime Law (UNCLOS) 1982. Finally, Malaysia has brought this issue to Tribunal international on maritime law (ITLOS) In Hamburg, German. In 8 October 2003, ITLOS which comprises of 21 judge had decided which enables Singapore continue sea reclamation work in Tekong's island and Tuas in Selat Tebrau complies condition that have been specified by that tribunal. Apart from that, Malaysia and Singapore also could form a body or pemantau specialist group free given mandate to carry out study relating effect of that embankment project to Malaysia.

4.2 Social problems in Southeast Asia

4.2.1 Prostitution

Prostitution problem in South-East Asia can be considered rich in serious level to having various dialogue and declaration from various parties whether from government side or non-governmental organisations. This prostitution problem happened in most countries in South-East Asia, and there are a few countries in South-East Asia which made prostitution activity as either their economic branch. Prostitution activity have been made into as an activity and attractiveness to attract tourists shelf coming to their country. For example, Thaksin Sinawatra's government allow prostitution activity on improving and diversify Thailand's economy source.

Historically, visible sex tourism idea during time pre communist China where there will be prostitution activity which operate in China train service. Whereas when conquest

³³ Tim Huxley (1991). Malaysia and Singapore: A precarious balance?, *Pacific Review*, Vol. 4, Bil. 3. pg 204-213

era Japan, many from countries woman conquered its like China, Philippines, nobleman Korean and wives Netherlands in Indonesia caught past be made prostitute to suit Japanese troops. After World War II, prostitution problem in South-East Asia increase dramatically. Found over 20,000 prostitute in Thailand in 1957 and this amount increasing to 400,000 people in 1964. This number is rising and hit million prostitute especially in era after Cold War. This is because prostitution development have seen as an economic sector to certain countries especially Thailand. However significant impact to countries behind profit which found was disease transmission problem especially venereal disease and AIDS. AIDS's spread resulted from prostitution activity do not just threatening people's security in one country only, on the other hand it also threatened people's security and regional countries.

This prostitution problem do not only focus in adult women category only even child also made human trade victim by parties which were not responsible. In Sydney Australia, Australia government side held cooperation by Indonesia to fight human trafficking including women trade and child. This move is addition move from Stockholm Declaration, Yokohama Global Commitment and East Asia and Pacific Regional Commitment. Then exist Southeast Asian Conference On Trafficking Of Children For Sexual Purposes's conference to discuss measures overcome this problem-oriented. This conference have successfully held Declaration To Combat Trafficking Of Children For Sexual Purposes In Southeast Asia to help overcome this problem-oriented. Children who have been kidnapped forced to be prostitute and carry out crime activities by certain parties. In this activity long run would give negative impact to one country when emergence of social problems and it its will threaten the next stability of nations and generation.

4.2.2 Drug

Drug is a type of poison which became threat to global community and generate to emergence of social problems and threatening security of a nation. This proven based on history where fall a ideal empire Perang Candu's inside Chinese effect of drug spread. Due to effect afford threatening people's security and country, drug problems in South-East Asia doubled up inside major agenda a few cooperation meeting among ASEAN member countries. This is because Southeast Asia is among responsible region supply drug supplies major world. It is relevant with golden triangle zone (Golden Triangle) located in Cambodia border, Vietnam and Myammar which owns poppy cultivation farm and is drug manufacturer major world.

Drug problem do not just limited to disease transmission and social problems, on the other hand it also threatened national security when distributor groups were able build group equipped with modern military and weapons. Results from sale of drug has made strong distributor groups economic resource and difficult to be tackled. Even drug eradication efforts difficult to be carried out when powerful parties also threatened. It patents threatening political stability, peace and mengugat sovereignty of a country.

Hence, this problem has become South-East Asian countries main agenda to ensure security and sovereignty of state.

4.2.3 Poverty

Poverty is phenomenon often associated developing world among countries . This is because these countries having low economic growth rate and be still economic development in process. For example, although Malaysia is one of the countries develop rapidly in economic development, however Malaysia still stayed under poverty level. This has ranked Malaysia as among developing world country. Apart from that, world economic crisis which occurred in year 1997, also seen as either source of poverty in South-East Asia. This is because that crisis is had caused several Southeast Asian countries experience crisis which forced they apply financial assistance from international institution such as world commerce organization (WTO) and international finance fund (IMF). In fact, result from that economic crisis also, indirectly it its has resulted poverty rate shot up especially to countries in South-East Asia which possess many total population.

Problems of poverty perceives as something which threatened national security when fenemona poverty threatening stability, peace and national interest one country . Poverty would put one country in which case economically weak which account catalyst to stability and national security. It also able invite society rebellion and opposition on one government. Result life impulse poverty would lead to increase of social problem and put one country in political instability risk. Hence, poverty is issue untraditional which need given attention by NAT of ensure safety one secure land.

5.0 Conclusion

Although environmental issues still considered not important compared traditional issues, however it have started given attention by NAT especially after Cold War. In 21 October 1994, a mensyuarat no formal ASEAN Ministerial Meeting related to environmental issue has been held in Kuching. This meeting is had carried government headmen discuss and they have agreed to step up cooperation in manage natural resource and control pollution across borders among ASEAN countries. Government headmen had agreed to drafting a cooperation plan on pollution across borders. This plan include three major programmes namely pollution beyond border which involves atmosphere pollution, pergerakan rubbish pickings ill and pollution due to oil spill.

Apart from that, ASEAN also taken move to hold cooperation between inside member country handle environmental that live issues problem-oriented problem-oriented in South-East Asia. Hence, environmental conferences South-East Asian countries organization was established since 1997 to overcome related problem-oriented with environment. this environment problem-oriented even if somehow able overpowered with more effective if ASEAN member countries give cooperation with more serious.

This is because extant member countries do not give inside serious attention eradicate environmental problems. For example, in year 2005, Southeast Asia region again face haze problem (environmental problems). this problem-oriented directly show supervision efforts and pembenterasan wildfire by ASEAN member ineffective. As such, NAT must encourage efforts over efisen in ensure security and South-East Asian countries sovereignty.

REFERENCES

A. Dupont (1998). The environment and security in Pacific Asia, *Adelphi Paper*, Bil 319, IISS.

Abu Bakar Yang (1998). *Alam sekitar anugerah tuhan*, Institut Kefahaman Islam Malaysia, Kuala Lumpur.

Aziz Ishak (2002). Isu alam sekitar ancaman baru Asean, *Massa*, Bil.331, 23 Feb-1 Mac 2002.

Barry Buzan (1991). *People, state and fear*, Harvester Wheatsheaf, London.

Barry Buzan Ole Waever dan Jaap de Wilde (1998). *Security: A new framework for analysis*, Lynne Rienner Publishers Inc, Boulder.

Braden Allenby (2000). Environment security: Concept and implementation, *International Political Science Review*, Vol. 21, Bil. 1.

Caroline Thomas (1996). Third World security. In Roger Carey dan Trevor C. Salmon (edit), *International security in the modern world*, MacMillan Press Ltd, London.

D. A Baldwin (1996). Security studies and the end of Cold War, *World Politics*, Vol. 48, Bil. 1.

D. Rosenberg (1999). Environmental pollution around the South China Sea: Developing a regional response, *Contemporary Southeast Asia*, Vol. 21, Bil. 1. April.

Donald E Weatherbee (1996) *Cooperation and conflict in the Mekong river basin*, Department of Government and International Studies, University of South Carolina, Columbia.

Donald M. Snow (1990) National security: Defence policy in a changed international order. L.K. Caldwell, International environmental policy: Emergence and dimensions, Duke University Press, Durham

Hari Singh (2004). Malaysia's national security: Rhetoric and substance, *Contemporary Southeast Asia*, Vol. 26, Bil. 1.

Israel ancam serang Lubnan, *Berita Harian*, 14 September 2002.

Jasjit Singh dan Thomas Bernauer (1993), *Security of the Third World Countries*, Darmouth Publishing Company Limited, UNIDIR.

Joey Long (2001). Desecuritising the water issue in Singapore-Malaysia relations, *Contemporary Southeast Asia*, Vol. 23, Bil. 3. Disember.

K.S Balakrishnan (20012). Regionalisme dan isu-isu keselamatan serantau, *Pemikir*, Bil. 25, Julai-September.

Kalimantan diselubungi jerebu, *Massa*, Bil. 358, 31 Ogos-6 September 2002.

Kamarulnizam Abdullah dan Mahmud Embong (1998) Kepentingan strategik di dalam keselamatan negara Malaysia, *Jurnal Jabatan Sejarah Universiti Malaya*, Bil 6, Kuala Lumpur.

L.Ohlsson (1995). *Hydropolitics: Conflicts over water as a development constraint*, Zed Books, London.

L.R Brown et.al (1998). *State of the world 1998*, W.W. Norton, New York.

L.R. Brown et.al (1990). *Dunia sedang terancam*, Zulkifli Salleh, Rosli Omar dan Zaini ujang (trj), INSAN, Kuala Lumpur.

Lloyd Timberlake (1985). *Africa in crisis: The causes, the cures of environmental bankruptcy*, International Institute for Environment and Development, London.

Mohammed Ayoob (1984). Security in the Third world: the worm about to turn?, *International Affairs*, Vol. 60, Bil.1.

Mohd Ridzuan Mohamad (1997). Krisis air dalam 30 tahun lagi, *Massa*, Bil. 77, 8 Mac.

Muhd Zuki Pileh (2002). Kebakaran hutan bencana membimbangkan, *Massa*, Bil.331, 23 Feb-1 Mac.

N. Myers (1993). *Ultimate security: The environmental basis of political stability*, W.W Norton & Company, London.

P. H. Liotta (2000). To die for: National interest and strategic uncertainties, *PARAMETERS*, U.S Army War College Quarterly, Summer.

P.H Gleick (1993). Water and conflict: fresh water resources and international security, *International Security*, Vol. 18, Bil. 1, Summer.

Rahaiza Ismail dan Hamidah Zabidi (2000). Pengawasan jerebu tidak berkesan, *Massa*, Bil. 250, Julai.

Rusdi Omar et.all (2005). *Hubungan Malaysia-Singapura era Mahathir*, Penerbit Universiti Utara Malaysia, Sintok.

Salina Abdullah (2002). Tambak laut tetap beri kesan negatif, *Berita Harian*, 25 April.

Sempadan Myanmar-Bangladesh tegang, *Massa*, Bil. 275, 20-26 Januari 2001.

Tim Huxley (1991). Malaysia and Singapore: A precarious balance?, *Pacific Review*, Vol. 4, Bil. 3.

CYBERCRIMES AS THREAT TO E-COMMERCE TRANSACTIONS IN NIGERIA: AN APPRAISAL OF THE RELEVANT PROVISIONS OF THE CYBERCRIME ACT 2015

Dr B. M. Tijjani,¹ Dr. Nasiru Adamu Aliyu,² and Dr. Muhammad Nuruddeen*³
Senior Lecturer,¹ Associate Professor,² and Senior Lecturer³
Department of Public Law, Faculty of Law, Bayero University Kano, Nigeria
*Corresponding author's email: mnuruddeen.pbl@buk.edu.ng

Abstract: Cybercrimes or Internet crimes pose serious threat to electronic commerce (e-commerce) at domestic and international levels. Cybercrimes are offences committed with the aid of computer technology. They include any criminal act, the execution of which involves the use of computers, computer networks and/or electronic superhighways. Cybercrimes are various forms of offences committed through the Internet. The objective of this paper is to appraise how cybercrimes become a serious threat to e-commerce in Nigeria. It is also the objective of this paper to find out whether there exists legal put in place to curb the menace of cybercrime as it effect e-commerce in the country. The paper uses a doctrinal research method to actualise the highlighted objective. Doctrinal research method is the dominant methodology adopted in legal research that aids in answering research questions. It is normally conducted in the library, otherwise referred to as “library-based or arm-chair research method.” One of the findings of this paper is that, cybercrimes are on the increase in Nigeria. A large number of Nigerians do not want to use the internet to conduct commercial transactions for fear of cybercrime(s) and related online cybercriminals activities. The paper reveals the need for a holistic review of the Nigeria’s *Cybercrime Act 2015* with a view to ensuring that stiff penalties are meted out against cybercrimes perpetrators. Also, the paper emphasizes the need for the Nigerian law enforcement agencies to establish a synergy, mutual co-operation, and partner with other countries with a view of apprehending and prosecuting cybercriminals as well as enforcing courts’ judgment against those who use the internet to commit any crime either in Nigeria or elsewhere.

Keywords: cybercrime, e-commerce, law, international, Nigeria.

INTRODUCTION

The success of e-commerce depends on factors such as the legal and institutional frameworks established to ensure that the rights of electronic consumers (e-consumers) are adequately protected (Ahusban, 2014). It is believed that doing this will boost consumer confidence and trust in all the transactions he/she wishes to conduct via the Internet (Ahusban, 2014). Countries need legal and institutional frameworks to tackle issues bedevilling e-commerce such as data and privacy protection, unfair trade practices, cybercrime, trans-border disputes among other things (Akomoledede, 2008). For instance, during the Covid-19 peak period, the Malaysian Ministry of Domestic Trade and Consumer Affairs received 24,018 cyber frauds and electronic media related crimes complaints (Razali, *et al.*, 2022; Aubrey, 2022). The Ministry further revealed that it received more than 2,500 complaints monthly bordering on e-commerce fraud

(Razali, *et al.*, 2022; Bernama, 2019). This clearly shows the prevalence of the cybercrime and the extent of trauma being inflicted on innocent e-consumers in the country. Also, between 2020 to 17th February, 2022, e-consumers and the country at large lost Millions of Malaysian Ringgit to cybercriminals (Razali, *et al.*, 2022; Aubrey, 2022; Bernama, 2019). The losses were estimated to be around RM57.73 million which is equivalent to N5, 302, 613, 279.92 (Xc Currency Converter, 01/11/2022, 12:20 pm).

It has been documented that the United Nations enjoins its member countries to enact laws and establish institutions that will protect the interest of public who use the Internet as a means of conducting commercial transactions (Akomoledede, 2008). It is in line with this call, Nigeria enacted the *Cybercrimes Act 2015* to deal with criminal activities being perpetrated vide the Internet in the country. Thus, taking a giant step in addressing one of the most pressing legal challenges brought by the modern-day technological advancements.

This paper, therefore, appraises the legal framework for cybercrime particularly as it concerns e-commerce in Nigeria. It is also the objective of the paper to proffer recommendations on how to address the legal challenges of cybercrime *vis -a- vis* e-commerce transaction in Nigeria. The paper asks as to whether cybercrimes are threat to e-commerce consumers in Nigeria, particularly bearing in mind the extant laws dealing with the issue at hand? Hence, the focus of the paper is on legal issues relating to cybercrime with particular emphasis on how cybercrimes become threat to online commercial transactions in Nigeria. The paper analyses selected provisions of the *Cybercrimes Act, 2015* and related statutes in Nigeria. The paper does not intend to examine other aspects of ICT law in Nigeria such as artificial intelligence (AI), e-government, e-evidence and e-banking, among others. Moreover, reference to the international best practices will be made for the purposes of comparative analysis only.

CLARIFICATION OF KEY TERMS

The following pertinent terms as used in this paper need clarification and contextualisation. Doing this will carry a potential reader along irrespective of his/her area of specialisation, field of knowledge or expertise. Let us begin with the meaning of cybercrime.

Cybercrime: Cybercrimes according to Rana (2006) are simply offences committed with the aid of computer technology. David and Abiodun (2009) argued that Cybercrimes include any criminal act, the execution of which involve the use of computers, computer networks and electronic superhighways. In short, Nuruddeen (2014) summarised the definition of cybercrimes or Internet crimes to mean crimes of

various forms normally committed through the Internet. Ojo (2015) cited example of cybercrimes to include identity theft, hacking, scams and cloning.

E-commerce: The term electronic commerce has no specific definition (OECD, 1997). Thus, scholars, judges and businesses made efforts to define the term from different perspectives. Akintola *et al.* (2011), for instance, defined e-commerce as buying and selling of products or services electronically via the Internet and other computer networks. Also, while quoting Khairi, Omar and Anas (2014) defined e-commerce as a business where traders use the Internet as a means of promoting and selling products and services for consumers the world over. Here, it is the Internet that allows direct communication between the trader and the buyer without any physical contact (Omar and Anas 2014). On the contrary, Bali (2004) opined that every time services are rendered and paid for on the Internet, it is e-commerce. Thus, for the purpose of this paper “e-commerce” means transactions that involve buying and selling of goods and services with the aid of the Internet. However, this paper will focus on buying and selling via the websites of online traders or merchants (e-traders).

Consumer: According to Kanyip (2010), the word “consumer” is generic, and so it is of broad generalisation (Andzenge, 2013). Kanyip (2010) further opined that the word “consumer” encompasses different categories of persons. Thus, a consumer comprises of all end users of goods and services. This includes the user of electricity, the hirer, the hotel guest, the bank customer and the insured or policyholder Kanyip (2010). Section 32 of the *Consumer Protection Council Act (CPC Act) 1992* (Repealed in 2019) defined a consumer as an individual who purchases, uses, maintains or disposes of goods or services (Asagh, 2013; Ukwueze, 2006; Nuruddeen, 2021). Monye, *et al.* (2014), opine that the use of the word “individual” in this definition did not bar an action by a group or class of individuals. Put differently, group or class of individual consumers can be accommodated within the meaning of a “consumer” under the CPC Act. However, in this paper, the word “consumer” means a purchaser of goods and services electronically via the Internet or website. Otherwise referred to and used interchangeably in this study as “e-commerce consumer” or “electronic consumer (e-consumer).”

E-consumer: According to Amin and Mohd Nor (2013), an e-consumer is any person who engages in commercial transactions via the Internet. Ilobinso (2015) argued that there is no much difference between an e-consumer and ordinary consumer. The only difference is the mode through which they make purchases (Ilobinso, 2015). The e-consumer uses electronic means such as the Internet while the ordinary consumer uses the conventional markets. It is important to note that chapter two of this study will discuss more on the definitions of e-commerce, consumer and other concepts related to this study.

Concept of Consumer Protection: The concept of consumer protection is very wide and a holistic analysis of which is beyond the scope of this paper. Suffices it to say that the phrase “consumer protection” does not have a precise meaning (Bird, 1983). Simply, consumer protection refers to legislation which protects the interest of consumers irrespective of whether in an online or off-line market. Monye, (2003) said that the consumer protection means safeguarding the interests of the consumer in commercial transactions, especially against all forms of exploitations, unfair trade dealings and fraudulent practices (Badaiki, 2013). Broadly, consumer protection is a term that applies to the efforts of the government and consumer organisations to protect and enforce the rights of people who buy goods and services (Ikoni, 2013). Consumer protection entails the provision of an effective redress mechanism for the aggrieved purchaser, users or disposers of any products or services. In the opinion of Ladan, consumer protection is all about the provision of appropriate and effective mechanism to protect the consumers’ pecuniary, health, environment, safety and security interests against all misleading, fraudulent and harmful business practices (as quoted by Emmanuel C. Ndubisi, *et al*, 2016). It is to be noted that, the concept of consumer protection as used in this paper applies only to those use the internet to conduct commercial transaction.

E-COMMERCE, CYBERCRIME, CONSUMER PROTECTION AND THE LAW IN NIGERIA: A LITERATURE REVIEW

To begin with, prior to 2015, there was no specific legislation dealing with cybercrimes in Nigeria (Abdullahi, *et al*, 2016). The atmosphere for Internet transactions as at that time was (even now is) insecure and vulnerable to manipulation by fraudsters (David and Abiodun, 2009). In fact, due to security and privacy concerns, not every Nigerian consumer do patronise e-commerce in the country (Adelola, *et al*, 2014). Many prefer making ordinary purchases in the traditional markets. Due to security concerns, some consumers in Nigeria only visit online stores to make window-shopping or to gather information about goods and then later buy the goods in the conventional markets. There are also some who place orders online but insist on giving cash upon delivery of the physical goods (Chiejina and Soremekun, 2014). The e-traders do give the consumers the option to pay for their orders upon physical delivery (Chiejina and Soremekun, 2014). The truth is that Nigerians do not want to disclose their personal information such as a PIN to e-traders for fear of fraud (Chiejina and Soremekun, 2014). Purchase in the traditional markets or payment upon delivery of online purchased goods provides peace of mind to the consumers (Adelola, *et al*, 2014). Even banks in Nigeria do regularly warn their customers not to disclose their bank details such as a PIN to anybody including close ones.

Foreign e-traders such as eBay do not want to operate in Nigeria because the country is tainted as "the centre of cybercrimes (Ehimen and Bola, 2010)." Investigation shows that Nigerian Websites and E-mail System were used by Al Qaeda to disseminate Internet information. This raises a serious question and suspicion on the security of Nigeria's national cyberspace (Ehimen and Bola, 2010). It is no surprise that Nigeria emerged the third country among top 10 countries in the world with high prevalence of cybercrimes (Frank and Odunayo, 2013; Abdullahi, *et al*, 2016). Reports revealed that from September 2015 to August 2016, about 90% of foreign nationals arrested for cybercrimes in India are Nigerians (Lasania, 2016). Nigeria as a nation is being counted among the top five notorious perpetrators of cybercrimes in the world (UNCTAD, 2015). Thus, for this and several other reasons, many Nigerian consumers with legitimate intention to transact online businesses are barred or discouraged from doing online transactions (Akinsuyi, 2007; Okeshola and Adeta, 2013).

In France for example, web camera verification is required in most online transactions from Nigeria. Therefore, Nigerian consumer's trust and confidence in patronising e-commerce at home and abroad are being eroded by the activities of cybercriminals (Oke, 2017; Ncube, 2016). Akinsuyi, (2007) attributed this to the lack of technical and legislative safeguards against illegal interference with personal data of consumers. This is true in view of the fact that prior to 2015, offences such as Internet scam, hacking, identity theft were not offences within the contemplation of Nigerian law. Because they were not codified under any written law in Nigeria. Criminalising these activities became necessary because, the Nigerian Constitution has categorically made it clear that no act is an offence unless it has been defined and punishment for same has been prescribed by a written law (Section 36 (9) of the *Constitution of the Federal Republic of Nigeria 1999*). Therefore, if cybercrimes were not criminalised in the country the perpetrators of the crimes would escape justice before Nigerian courts.

The Advent of Cybercrimes (*Prevention, Prohibition, etc.*) Act 2015

In 2015, after several years of agitations from concerned stakeholders, the Nigerian President signed into law the *Cybercrimes (Prevention, Prohibition, etc.) Act 2015* (the CA). The CA brings into life a legal framework for the prohibition, prevention, detection, investigation and prosecution of cybercrimes and other related matters. The aim of the CA is to among other things define what constitutes cybercrimes and provide penalties against the perpetrators of the crimes in Nigeria. Similarly, the CA is enacted to provide a platform for cybersecurity that will ensure the protection of computer systems, data, and privacy rights (Nwanko, 2016). Oluchi, (2015) argued that if the provisions of the CA are actually implemented, they will create cybersecurity and provide the much-needed regulation of e-commerce and consumer protection in Nigeria.

The Cybercrimes Act 2015 and Data Protection of E-consumers

Scholars are of the view that the CA is, indeed, a legislation that was passed with privacy protection in mind. The relevant Sections of the CA on data/privacy protection are Sections 1, 38 and 39 respectively. Section 1 of the CA provides the objective of the CA which among other things include the protection of data and privacy. The section provides that the aim of CA is to among other things: *promote cybersecurity and the protection of computer systems and networks, electronic communications, data and computer programs, intellectual property and privacy rights.*

Section 38 (1) of the CA specifically deals with record and protection of personal data. The section places a duty on the Nigerian service providers to keep all data and information of their subscribers for two years (Section 38(6) of the Act). Here, “services providers” means private or public telecommunications companies operating in Nigeria (Oke, 2015). This definition is extended to those organisations who rely on the services of such companies (like the e-traders, banks, cyber cafes) and other entities who store or process computer data on behalf of the said companies (Oke, 2015).

Furthermore, Section 38(2) of the CA provides the circumstances under which personal data or information held by these entities could be released. Thus, it expressly provides that the personal data so held by any of these entities could be released at the request of the relevant authority, law enforcement agency or court of law (Sections 38(2) and (3) and 39 of the Act). The relevant authority referred to in this section is the Nigeria Communications Commission (NCC) (Viyon, 2016).

It is important to note that Section 38(4) of the CA mandates the e-traders and other entities referred to above not to utilise any personal data in their custody except for the purposes stipulated under the CA Or as may be otherwise stipulated by other legislation, regulations or a court of law. The implication of 38 (4) of the CA is that personal information must only be used based on the reasons specified by the law and not for any illegal purpose.

Additionally, Section 38(5) of the CA mandates the service providers including the e-traders, law enforcement agencies and NCC to ensure that they strictly comply with the provisions of the Constitution dealing with the right to privacy. It is mandatory for them to equally take all necessary measures to protect the confidentiality of the personal data of individuals which they held, processed, or retrieved. It is, therefore, an offence against any person to contravene the provisions of Section 38 of the CA. The punishment for contravening the CA is three years imprisonment or a fine of not more than N7, 000,000.00 (Seven Million Naira Only); or liable to both fine and imprisonment. It seems this penalty is not enough to deter others from committing cybercrimes. This is in view of the fact that cybercrime is a multi-billion Dollar venture not only in Nigeria but world over, and it is expected to globally grow by 15 percent

per year over the next five years, reaching \$10.5 trillion USD annually by 2025, up from \$3 trillion USD in 2015 (Morgan and Calif, 2020).

Hence, the spirit of the Organisation for Economic Co-operation and Development's (OECD's) Security Safeguards Data Protection Principle is encapsulated in Section 38 of the CA. The principle advocates that personal data should be protected by reasonable safeguards against risks like loss or unauthorised access, destruction, use, modification or disclosure. The primary goal is to keep proprietary information confidential, preserve its integrity and maintain its availability for those authorised to access the information (Spinello, 2002).

The CA shows the government's commitment to promoting privacy right on the cyberspace in Nigeria. Therefore, the main goal of the CA is to promote cybersecurity and prevent or combat cybercrimes in Nigeria. The CA prescribes penalties against persons who destroy or grant unauthorised access to personal information of others. The philosophy behind is to preserve the personal information for criminal investigation and prosecution (Viyon, 2016). Therefore, CA is not enacted to protect the interest of the consumers regarding their data. It is obvious that the CA is more concerned with granting access to personal information than protecting same.

It is important to note that the CA strictly complies with Constitutional provisions dealing with the right to privacy. The rationale behind is the fear of not falling into the trap of the inconsistency rule as enshrined in Section 1 of the Constitution (*FRN v. Ifegwu (2003) FWLR (Pt.167) 703*). On the whole, scholars (such as Abdulrauf, 2016 and Nwankwo, 2016) are of the view that the CA is not a comprehensive legislation for data protection capable of protecting adequately of the Nigerian e-consumers. Indeed, Abdulrauf, (2016) while commenting on the provisions of Section 37 of the Constitution vis-à-vis Section 38 of the CA, submits as follows:

*...criminal laws **like the CA** are merely penal legislation that prescribes punishments for offences committed **and** may not be the best of instruments for the protection of the right to privacy from threats resulting from the proliferation of new technologies. (Bold added).*

Similarly, Nwankwo, (2016) is also of the view that although the CA partly purports to promote privacy right among its objectives, however, it does not specifically include provisions dealing with core data protection principles in it. Simply put, the CA is not a comprehensive data protection legislation. In an empirical study conducted by Nuruddeen, (2017) a respondent alluded to this fact where he criticised the CA by arguing that the CA does not cover privacy protection of individuals who engage in e-commerce. The respondent further elaborated as follows:

...within the Cybercrimes Act, you may find some sections trying to accord protection to data. But in my opinion, that is inadequate. Why? Because digital data can be protected by a specific law. So that you cover all angles of data protection. Digital data has eight rules of protection. So, if you don't have the specific law, it will be very difficult for a law that is not meant for that particular area to cover all those angles.

The shortcoming of the CA is also expressed by Abdullahi, *et al.* (2016), who argued that the CA has failed to accord privacy and/or data protection rights to e-consumers. Nevertheless, the CA has been applauded and considered as a laudable achievement towards addressing security challenges confronting e-commerce and consumer protection in Nigeria (Oke, 2015). In fact, Nwauche, (2007) argued that the right to privacy in Nigeria has not received adequate protection or elaboration both in the definition and philosophical basis. Using policy analysis, Akpojivi, (2017) claims that the Nigerian legal framework for privacy is inadequate because it lacks specific privacy provisions. Hence, Akpojivi, (2017) submits that Nigerians and e-consumers, in particular, have no privacy legislation to protect them in this globalised era of connectivity.

On a final note, therefore, Nigeria needs to enhance its international cooperation in combating cybercrimes by signing and domesticating the *Budapest Convention on Cybercrime 2001* and the *African Union Convention on Cyber Security and Personal Data Protection 2014* as well as the *UNCITRAL Model Law on E-commerce 1996*. At the moment, Nigeria is not even a signatory to any e-commerce or cybercrime international legal instruments. Unfortunately, this makes international cooperation harder for Nigeria.

PROBLEMS MILITATING AGAINST INVESTIGATION, PROSECUTION AND EXECUTION OF CYBERCRIME CASES

The problems are multifaceted. The prominent ones are worthy of itemisation and brief explanation as follows:

1. Lack of a comprehensive legal regime for combating cybercrime in Nigeria despite the enactment of the *Cybercrimes Act, 2015*.
2. Inadequacy of the *Evidence Act, 2011* (Nigeria) to have specific and detailed provisions dealing with offences bordering on Cybercrimes, as well as on Digital Evidence in particular to complement the processes of detection, investigation and prosecution of e-commerce cyber related offences.
3. Failure of Nigeria to hitherto domestic the major international legal instruments on cybercrime in the country such as *Budapest Convention on Cybercrime 2001*

and the *African Union Convention on Cyber Security and Personal Data Protection 2014* as well as the *UNCITRAL Model Law on E-commerce 1996*. Consequently, there for Nigeria to strengthen its international cooperation by establishing a synergy, mutual co-operation and perhaps partner with other countries with a view to apprehending and prosecuting cybercriminal as well as enforcing courts' judgment against those who use the internet to commit any crime either in Nigeria or elsewhere.

4. Lack of adequate training for law enforcement agents especially those in charge of investigation and prosecution of cybercriminals in Nigeria. The identified Nigerian law enforcement agents need to undergo regular and specialised training on how to carry out their duties in line with international best practices.
5. There is low public awareness and enlightenment among Nigerian citizens about the dangers of using the internet for commercial transactions. The general public need enlightenment on the risks involved in surfing the net for commercial activities and how they can protect themselves against possible intrusion of their privacy and other criminal activities being perpetrated by cybercriminals.

CONCLUSIONS

The general principles derivable from the above result includes the principle of deterrence under criminal law. Cybercriminals must be adequately punished in order to deter potential offenders. Other principles include the principle of consumer protection and international cooperation among nations for the fight against threats to e-commerce such as the cybercrime. One of the limitations of this research is the lack of judicial authorities to support some of the arguments canvassed in this paper. The practical implications of this research were stated earlier on. Suffices it to emphasise the need for a comprehensive legal regime for combatting cybercrime in Nigeria; the need to urgently address other menace of cybercrimes seriously affecting consumers who intend to use the cyberspace for commercial transactions; the need for Nigeria to domestic major international legal instruments on cybercrime and e-commerce as well as data protection; the need for Nigerian law enforcement agents in charge of prosecution and investigation of cybercrimes to undergo specialised training on regular basis on how to carry out their duties in line with international best practices; the need for the general public to be adequately enlightened on the risks involved in surfing the net for commercial activities and how they can protect themselves against possible intrusion of their privacy and other criminal activities being perpetrated by cybercriminals. The implication of all these is to make the internet a place where all and sundry will freely utilise for commercial activities. Additionally, it will reduce or minimise criminal activities that hamper the smooth operation of e-commerce in Nigeria.

In conclusion, therefore, this paper established the fact that cybercrimes affect commercial activities on the Internet. It has also been established that quite a number of Nigerians prefer making purchases in a convention way rather than online. That is by going to the market and buy goods and services because of the fear being instilled in them by cybercriminals. Although there exists the *Cybercrimes Act 2015* addressing some of the problems highlighted above, yet cybercriminals continue to employ new tactics to defraud innocent Nigerians who use the internet to make purchases. On this premise, this paper recommends a holistic review of the Nigeria's *Cybercrime Act 2015* with a view to ensuring that stiff penalties are meted out against cybercrime perpetrators. Also, the paper emphasizes the need for the Nigerian law enforcement agencies to establish a synergy, mutual co-operation and partner with other countries with a view to apprehending and prosecuting cybercriminals as well as enforcing courts' judgment against those who use the internet to commit any crime either in Nigeria or elsewhere.

REFERENCES

- Abdullahi, Ibrahim, *et al.*, "Cyber Crimes (Prohibition, Prevention, Etc.) Act, 2015: Issues and Challenges in Nigeria," in *49th Annual Nigerian Association of Law Teachers (NALT) Conference* (Keffi: Nasarawa State University, 2016), 2–3.
- Abdulrauf, Lukman Adebisi. "New Technologies and the Right to Privacy in Nigeria: Evaluating the Tension between Traditional and Modern Conceptions." *Nnamdi Azikiwe University Journal of International Law and Jurisprudence* 7 (2016): 113–124.
- Aboki, Yusuf. *Intronduction to Legal Research Methodology*. Tamaza Publishing Co. Ltd., Zaria, Nigeria, 2004.
- Adelola, Tiwalade, Ray Dawson, and Firat Batmaz. "Privacy and Data Protection in E-Commerce: The Effectiveness of a Government Regulation Approach in Developing Nations, Using Nigeria as a Case." In *The 9th International Conference for Internet and Secured Transactions (ICITST) 8th-10th December, 2014*, 234–239. London, 2014.
- Akinsuyi, Franklin F. "Data Protection Legislation for Nigeria: The Time Is Near." *Nigerian Economic Summit Group Economic Indicators* 13, no. 3 (2007): 31–46.
- Akintola, K G, R O Akinyede, and C O Agbonifo. "Appraising Nigeria Readiness for E-Commerce towards: Achieving Vision 20:20." *International Journal of Research and Reviews in Applied Sciences* 9, no. 2 (2011): 330–340.
- Akomolede, TI. "Contemporary Legal Issues in Electronic Commerce in Nigeria." *Potchefstroom Electronic Law Journal* 11, no. 3 (2008): 1–25.
- Akpojivi, Ufuoma. "Rethinking Information Privacy in a Connected World." In *Media Law, Ethics, and Policy in the Digital Age*, edited by Nhamo A. Mhiripiri and T. Chari, 268–285. IGI Global, 2017.
- Akwueze, F.O. "Legal Challenges of Obtaining Consumer Redress in Nigeria." *Journal*

- of Contemporary Law* 1 (2012): 116.
- Alhusban, Ahmad. "The Importance of Consumer Protection for the Development of Electronic Commerce: The Need for Reform in Jordan." University of Portsmouth, 2014.
- Ali, Salim Ibrahim, Zuryati Mohamed Yusoff, and Zainal Amin Ayub. "Legal Research of Doctrinal and Non-Doctrinal." *International Journal of Trend in Research and Development* 4, no. 1 (2017): 493–495.
- Amin, Naemah, and Roshazlizawati Mohd Nor. "Online Shopping in Malaysia: Legal Protection for E-Consumers." *European Journal of Business and Management* 5, no. 24 (2013): 79–86.
- Andzenge, Steven. "Regulatory Measures and Consumer Issues in Electricity Consumption." In *Law and Principles of Consumer Protection*, edited by Adedeji Adekunle and Shankyula Tersoo Samuel, 299–323. Lagos, Nigeria: Nigerian Institute of Advanced Legal Studies, 2013.
- Asagh, Janet M. "Consumer Protection and Telecommunications Services in Nigeria: Regulatory and Policy Issues." In *Law and Principles of Consumer Protection*, edited by Adedeji Adekunle and Shankyula Tersoo Samuel, 277–298. Lagos, Nigeria: Nigerian Institute of Advanced Legal Studies, 2013.
- Aubrey, S. (2022, March 15). KPDNHEP: 24,018 complaints on online fraud, electronic scams during pandemic. *The Borneo Post; The Borneo Post*. <https://www.theborneopost.com/2022/03/15/kpdnhep-24018-complaints-ononline-fraud-electronic-scams-during-pandemic>.
- Badaiki, A. D. "Effect of Privatisation and Commercialisation Policy on Consumer Protection in Nigeria." In *Law and Principles of Consumer Protection*, edited by Adedeji Adekunle and Shankyula Tersoo Samuel, 146–213. Lagos, Nigeria: Nigerian Institute of Advanced Legal Studies, 2013.
- Bali, Oladipo. "The Emerging Trend in E-Commerce: The Nigerian Legal Perspective." In *Legal Practice Skills and Ethics in Nigeria*, edited by Kevin Ndubuisi Nwosu, 119–131. DCONconsulting, Lagos, Nigeria, 2004.
- Bernama. (2021, November 11). Significant Increase In Reported Cases Of E-Commerce Fraud. *New Straits Times; New Straits Times*. <https://www.nst.com.my/news/crime-courts/2021/11/744498/significantincrease-reported-cases-e-commerce-fraud>.
- Bird, R. *Osborn's Concise Law Dictionary*. 7th ed. London: Sweet and Maxwell, 1983.
- Chiejina, C., and E. Soremekun. "Investigating the Significance of the 'Pay on Delivery' Option in the Emerging Prosperity of the Nigerian E-Commerce Sector." *Journal of Marketing and Management* 5, no. 1 (2014): 120–135.
- David, A., and O.O. Abiodun. *Policing Cyberspace in Nigeria*. Ibadan, Nigeria: Life Gate Publishing Co., 2009.
- Ehimen, Okonigene Robert, and Adekanle Bola. "Cybercrime in Nigeria." *Business Intelligence Journal* 3, no. 1 (2010): 93–98.
- Frank, I., and Eweniyi Odunayo. "Approach to Cyber Security Issues In Nigeria: Challenges and Solution." *International Journal of Cognitive Research in Science, Engineering and Education* 1, no. 1 (2013): 1–11.

- Hutchinson, Terry. "Developing Legal Research Skills: Expanding the Paradigm." *Melbourne University Law Review* 32, no. 3 (2008): 1065–1095.
- Ikoni, U. D. "A Middle Course between Consumer Protection and Environmental Protection." In *Law and Principles of Consumer Protection*, edited by Adedeji Adekunle and Shankyula Tersoo Samuel, 1–74. Lagos, Nigeria: Nigerian Institute of Advanced Legal Studies, 2013.
- Ilias, I. I., and Amin N. (2016). "Study on the Financial Consumer Protection in Malaysia with Specific Reference to the Financial Services Act 2013." *Malaysian Journal of Consumer and Family Economics*, 19, 1-14.
- Ilobinso, Ihuoma Kelechi. "Consumer Protection in the Context of Electronic Commerce: A Nigerian Perspective." In *Faculty of Law Seminar Series*, 1–25. Lagos, Nigeria: Faculty of Law, University of Lagos, 2015.
- Lasania, Yunus Y., "90 Per Cent of Foreigners Involved in Cyber Crime Are Nigerians," *The Hindu* (India, August 16, 2016), last modified August 16, 2016, accessed January 17, 2017, <http://www.thehindu.com/news/cities/Hyderabad/90-per-cent-of-foreigners-involved-in-cyber-crime-are-Nigerians/article14572630.ece>.
- Monye, Felicia, Boniface Umoh, and Chinyere Chukwunta. *Research Report on the State of Consumer Protection in Nigeria : A Review of Consumer Protection in the Telecommunications Sectors in Nigeria*. Nigeria, 2014.
- Monye, Felicia. *Law of Consumer Protection*. Ibadan, Nigeria: Spectrum Books Ltd., 2003.
- Morgan, S and Calif, S. "Cybercrime to Cost the World \$10.5 Trillion Annually By 2025" (accessed October, 20, 2022) <https://cybersecurityventures.com/hackerpocalypse-cybercrime-report-2016/>
- Ncube, Caroline B., "Data Protection in Zimbabwe," in *African Data Privacy Laws: Law, Governance and Technology Series* (Volume 33), ed. Alex B. Makulilo (Cham, Switzerland, 2016), 113.
- Ndubisi, Emmanuel C., Aham V. Anyanwu, and Cosmas A. Nwankwo. "Protecting the Nigerian Consumer: An Expository Examination of the Role of Consumer Protection Council." *International Journal in Management and Social Science* 4, no. 3 (2016): 529–542.
- Nuruddeen, Muhammad, "Access to Justice by Electronic Commerce Consumers (E-consumers) through the Federal Competition and Consumer Protection Commission" *NAILS Journal of Business Law*, 6 (2021):148-182.
- Nuruddeen, Muhammad, "Legal and Institutional Frameworks for the Protection of E-commerce Consumers in Nigeria." (Universiti Utara Malaysia, 2017).
- Nuruddeen, Muhammad, "Legal Issues in Electronic Commerce: Challenges and Prospects for Nigeria," *Abuja Journal of Private and Comparative Law* 3 (2014): 176.
- Nwankwo, Iheanyi Samuel. "Information Privacy in Nigeria." In *African Data Privacy Laws: Law, Governance and Technology Series* (Volume 33), edited by Alex B. Makulilo, 45–75. Cham, Switzerland, 2016.
- Nwauche, E.S. "The Right to Privacy in Nigeria." *Centre for African Legal Studies (CALS) Review of Nigerian Law and Practice* 1, no. 1 (2007): 63–90.

- OECD, Report on Electronic Commerce: Opportunities and Challenges for Government, 1997, 20.
- Ojo, Oluwaseun Viyon. "An Assessment of Nigeria's Cybercrimes (Prevention, Prohibition Etc.) Act 2015." *The Lawyers Chronicle*. Jos, Nigeria, 2015.
- Oke, Oluwakemi Oluwafunmilayo, "An Appraisal of the Nigerian Cybercrime (Prohibition, Prevention Etc.) Act, 2015," *SSRN Electronic Journal*, 19, last modified 2015, accessed January 23, 2017, https://papers.ssrn.com/sol3/papers.cfm?abstract_id=2655593.
- Okeshola, Folashade B, and Abimbola K Adeta. "The Nature, Causes and Consequences of Cyber Crime in Tertiary Institutions in Zaria-Kaduna State , Nigeria." *American International Journal of Contemporary Research* 3, no. 9 (2013): 98–114.
- Omar, Chemzche, and T Anas. "E-Commerce in Malaysia: Development, Implementation and Challenges." *International Review of Management and Business Research* 3, no. 1 (2014): 291–298.
- Rana, L. "Cybercrimes." *Encyclopaedia of Criminology*. Anmol Publications Pvt. Ltd, New Delhi, India, 2006.
- Razali, Nur Amira Hidayah, Wan Rosalili Wan Rosli. & Mohd Bahrin Othman (2022). "The Legal Protection of E-Consumers Against E-Commerce Fraud in Malaysia." *Malaysian Journal of Social Sciences and Humanities (MJSSH)*, 7(9), e001778. <https://doi.org/10.47405/mjssh.v7i9.1778>
- Spinello, Richard A. "Cybercrime, Encryption, and Government Surveillance." In *Regulating Cyberspace: The Policies and Technologies of Control*, 207. Westport, CT, USA: Greenwood Publishing Group Inc, 2002.
- Ukwueze, F. O. "Protection of Consumers of Financial Services in Nigeria: A Review." *Consumer Journal* 2, no. 1 (2006): 108–144.
- UNCTAD. "Cyberlaws and Regulations for Enhancing E-Commerce: Case Studies and Lessons Learned." *United Nations Conference on Trade and Development*. Geneva: UNCTAD, 2015.
- Viyon, Ojo Oluwaseun. "An X-Ray of Nigeria's Cybercrimes Act 2015 *Vis-a-Vis* the Right to Privacy." *The Lawyers Chronicle*. Jos, Nigeria, 2016.
- Yaqin, Anwarul. *Legal Research and Writing*. Malaysia: LexisNexis, 2007.

PART IV: MARITIME STUDIES

AUKUS AND ITS IMPLICATIONS ON PEACE AND SECURITY IN THE SOUTH CHINA SEA

*Mohammad Fitri Mohd Shukri & Shazwanis Shukri
School of International Studies, Universiti Utara Malaysia
*Corresponding author's email: fitrishukri.digital@gmail.com

Abstract: The announcement of the trilateral AUKUS defence pact of Australia, the United Kingdom and the United States was interpreted as a strategy by Western powers to counter China's encroachments in the South China Sea where China is increasing their power projections and military presence. The aim of this paper is to investigate the implications of AUKUS on the peace and security in the South China Sea. The objective of this study is to analyse the responses of maritime Southeast Asian nations towards AUKUS, to explore how AUKUS affect peace and security in the South China Sea, and to investigate why AUKUS will complicate the South China Sea territorial and maritime disputes. The study was conducted using qualitative methodology through thematic-based documentary analysis. This study finds that Southeast Asian nations are divided on their response to AUKUS with varying degrees of acceptance and rejections. This study also finds that AUKUS will increase the tensions in the South China Sea and complicates the already complex, complicated and sensitive disputes in the area. This study concludes that despite the formation of AUKUS, peace and security in the South China Sea are dependent mainly on the collective decisions and action by Southeast Asian nations.
Keywords: AUKUS, South China Sea, Security, Maritime Disputes, Southeast Asia

INTRODUCTION

The claimants and territorial disputes in the South China Seas between the Southeast Asian nations of Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Vietnam as well as China and Taiwan have until now been prolonged into its seventh decade (Cheng-Chwee et al., 2021; Mangiarotti, 2021). With China's growing economic and military, so has tensions grown in the South China Sea between China and Southeast Asian countries which have staked their respective maritime and territorial claims. The West, especially the United States have taken note of the security development in the region and have responded in various ways including reactivating the quadrilateral cooperation between Australia, India, Japan, and the United States to counter China's growing influence and might in the Indo Pacific of where the South China Sea buffer the Indian and Pacific Oceans (Chalivet, 2022; Saha, 2018). However, in September 2021, another layer of complexity was added to the South China Sea disputes when

Australia, the United Kingdom, and the United States announced the AUKUS pact which among others will equip the Australian Navy with nuclear-powered submarines that will be a game changer to security in the Indo Pacific region. Despite being in the initial phase of AUKUS, the trilateral defence pact has provoked mixed response from actors in the region and has revealed widening cracks within the ASEAN regional grouping.

Unsurprisingly, the AUKUS announcement angered China as it seems to be a China-containment strategy by the United States and a direct challenge to China's global expansion strategy (Girard, 2021). AUKUS on the other hand, have pushed Southeast Asian nations to a corner as Southeast Asian nations differ in their reaction to the AUKUS announcement (Southgate, 2021). All these while, Southeast Asian nations have developed friendly and beneficial bilateral and multilateral relationships with both powers and the AUKUS. Southeast Asia through the ASEAN regional bloc have carefully crafted and positioned itself as a neutral grouping vis a vis superpower rivalry and AUKUS have complicated ASEAN's struggle to act as a single actor in the South China Sea disputes.

Thus, this paper will study the potential effect and implications of the AUKUS pact towards the safety and security of the much-contested waters of the South China Sea which is at the heart of the Southeast Asian region. The objective of this paper is to analyse the response of maritime Southeast Asian nations towards formation of the AUKUS pact, to explore the possible effect of the AUKUS pact on the fragile peace in the South China Sea, and to investigate the prospect of the AUKUS pact complicating the South China Sea disputes. The scope of this study is limited towards maritime Southeast Asian nations with territorial waters in the South China Sea, namely Brunei, Indonesia, Malaysia, the Philippines, Singapore and Vietnam.

Although the AUKUS pact did not specifically mentioned China, various literature have specified containing the rise of China's military might as the primary objective in the creation of the AUKUS pact (Cheng, 2022; Haar, 2021; Raube & Vega Rubio, 2022; Sobarini et al., 2021). Without mentioning AUKUS, two literatures had singled out China as the gravest threat to peace and security in the region which had therefore led to the creation of the pact (Bowers, 2022; De Castro, 2022). The AUKUS pact itself is interpreted as a response to tensions in the Indo Pacific, with Sobarini et al. (2021) warned could lead to escalations while Cheng (2022) argued that the pact was part of Australia's outdated Cold War mentality in dealing with issues in the Indo Pacific. This led Cheng (2022) to state that the AUKUS pact will be a disruptive force in the region as it includes transfer of nuclear-related technologies to Australia and AUKUS guarantee on bringing peace, security and stability in the region is nothing but deceitful.

METHODOLOGY

The research design for this study was selected to be a qualitative methodology through thematic-based documentary analysis. The documentary analysis was conducted with research instruments from a combination of scholarly journals and secondary sources. These include analysis of government documents, institutional reports, press releases, magazine articles, news articles, and publications on the internet. Due to the limitations of the study such as time factor and wide areas of the topic, the study was unable to conduct data collection such as interviews. Another limitation factor is that the topic of study on AUKUS is a very recent development and thus limited availability of scholarly journals. Therefore, this research conducted thematic-based analysis based on reliable secondary sources which were arranged according to themes such as formal government responses, informal senior government officer's responses and responses by former government officers. The analysis also referred to views from opposing actors such as those from the Chinese government, the United States government and from Southeast Asian government to minimise bias and achieve triangulation.

RESULTS

The study found that the response of maritime Southeast Asia towards AUKUS was divided into three groups of countries. They are countries, whose government of the day at the time of AUKUS announcement, that either support AUKUS such as the Philippines and Singapore; are against AUKUS that is Indonesia and Malaysia; or are neutral or non-committed towards AUKUS which include Brunei and Vietnam.

The study also found that AUKUS is expected to see the presence of Australian nuclear-powered submarines in the South China Sea once it is operational in 2040. The proposed nuclear-powered submarines will be taking over Australia's ongoing yet problematic advanced diesel-powered Attack-class submarine project with France's assistance and technologies based on the Barracuda-class nuclear-powered attack submarines being built for the French Navy (Roblin, 2020). Thus, the planned Australian nuclear-powered submarines, along with other advanced technologies such as artificial intelligence and sensitive on-board sensors, will provide the Australian military game-changing technology unrivalled by few in the region by 2040 (Chapman, 2022).

Additionally, this study found that the South China Sea disputes and Southeast Asian nations' incapacities to confront China's coercive strategy in the South China Sea to be the triggering factor of the creation of the AUKUS pact by Australia, the United Kingdom and the United States in 2021.

On the other hand, this study found that AUKUS have managed to force China to be more restrained and calculative in the South China Sea, compared to their previous recklessness in the area.

Finally, the study found that ASEAN's ineffectiveness to confront both China and the United States in the South China Sea was due to ASEAN's legacy of consensus decision making, non-interference in member states and principle of centrality which was significant when ASEAN was formed. Coupled with increasing dependency to China in the trade, economic and crisis management, Southeast Asian nations are facing an increasingly widening security dilemma which could affect the peace and security in the South China Sea.

DISCUSSION

Southeast Asia's inability to unite and confront China's aggression in the South China Sea was again displayed as the ASEAN bloc was unable to provide a solid and uniform response towards AUKUS. The varied responses towards AUKUS by Southeast Asia could unfortunately be exploited by external powers to project their influence in the region and thus caused the South China Sea to become unsafe and insecure for the near future.

The presence of nuclear-powered submarines in the South China Sea, will therefore see an increase of Sub-surface and Anti-Submarine Warfare (ASW) activities in the region. As such, AUKUS is expected to cause a rapid but unequal arms build-up by Southeast Asian nations in the South China Sea. Then, there is the possibility of the Five Power Defence Arrangements (FPDA) being pulled into a future South China Sea conflict, which could also involve the armed forces of the Oceanic country of New Zealand acting as a member of the FPDA. AUKUS is also expected to feature the presence of more Western and Quad-countries aerial and naval forces in the South China Sea which could make China even more uncomfortable. Nevertheless, AUKUS is still in its infancy, and it adds another layer of complexity and complication to the fragile peace and security in the South China Sea.

The South China Sea has no doubt become an important and critical part of China's geopolitical and geo-economics strategies to realise their global vision and ambitions to become a fully developed nation and global superpower (T. Fravel, 2011; Hal, 2020; Ott, 2019; Rolland, 2020). With China's aggressive and assertive attitude and action in the South China Sea, it will be impossible to imagine China to backtrack from the area. Another important point is that China's South China Sea strategies are driven by their confidence and evidence from past incidents that Southeast Asia, especially Brunei, Malaysia, and the Philippines are unable to counter their 'carrot and stick' approach which is to dangle lucrative investments through the BRI while their militaries and paramilitaries acting aggressively in the South China Sea. Although the AUKUS pact

may have forced a recalculation on the part of China, it is certainly not a withdrawal of China from the South China Sea.

For the United States, countering China in the South China Sea has become a multilateral effort not only with Southeast Asia but also regional powers such as Australia, India, and Japan (Freeman, 2021). While the American were unable to challenge China's economic investment in Southeast Asia, they are maximising the long-established relationships with Southeast Asian nations, as well as conducting Freedom of Navigation Operations (FONOPS) in the South China Sea to give the message that the American and its allies will continue to be a remarkable presence in the region (Lendon, 2021; Shambaugh, 2018).

As for ASEAN as a regional bloc, they have been unable to function effectively in dealing with the disputes and tensions in the South China Sea, partly due to its own making. This is particularly caused by the consensus decision making and principle of centrality, a distinctive and once proud feature of 'The ASEAN Way', have stifled ASEAN's ability to deal collectively and efficaciously with China's steady and sturdy incursion into the South China Sea. ASEAN ineffectiveness have prompted calls from within and outside ASEAN for a reinvention of ASEAN but since the announcement of AUKUS in 2021, such changes remain to be seen and implemented (Jaknanihan, 2022).

Thus, while Southeast Asian nations may have discreetly welcomed American naval presence in the region to counter China's might, they are unable to do so publicly (Noor, 2021; Rayar, 2021; Selvam, 2021). Therefore, the AUKUS pact has increased and widened the security dilemma of Southeast Asian nations particularly those of Indonesia, Malaysia, the Philippines, and Vietnam.

CONCLUSION

This study concludes that China is the belligerent actor in Southeast Asia and the South China Sea. China's belligerents with their ambitious, aggressive, assertive, and coercive push into the South China Sea were conducted with utter disregard to international laws and norms. China's action has caused anxieties, disturbances, divisions, and tensions among Southeast Asian countries especially those with direct access and maritime territories in the South China Sea, namely Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Vietnam.

However, despite China's sabre-rattling on their perceived rights and interests in the region and their wolf-warrior diplomacy, they are also a calculative strategic actor always wary of the reactions by the West especially the United States and aware of the deficiency of their military capabilities compared to the American. China's apparent restraint to fully commit and assist the Russian in the Russia-Ukraine War 2022 due to

threats of Western sanctions and backlash on China are an additional example of China putting economic interests over political grandiloquence. Therefore, beyond China's rhetoric and show of force, and with the right strategy, timing and approach, China is not unstoppable and can be forced to the negotiating table.

Although AUKUS is still in its infancy and Australian nuclear-powered submarines are only expected to be operational in the year 2040, Australia, the United Kingdom, and the United States had been military allies for decades and participated in various wars and operations. Hence, the psychological effect of the AUKUS alliance has already had a significant effect on countering China's reckless bullying in the South China Sea. Even without AUKUS, the United States foreign policies and strategies for the Indo Pacific will ensure that China will not be able to totally dominate the region including in Southeast Asia. This study concludes that the AUKUS pact neither significantly adds nor diminishes the security threats in the South China Sea for the immediate future.

Based on the international relations theory of realism and national interest, the South China Sea will continue to witness superpower rivalries and contests in the years and decades to come. Both sides of the superpowers will continue to conduct the practice of one-upmanship against one another to stake their dominance in the region. The complexities and intensities of the rivalries between autocratic China and the liberal democracies led by the United States in the Indo Pacific would eventually force Southeast Asian nations to make hard and tough choices collectively as one bloc or to be further divided, subjugated to superpower competition, and face the prospect of escalations, conflicts, and war in the South China Sea. Southeast Asian nations, mostly middle powers, could be a considerable force of its own when acting in a cohesive and collective manner, particularly under the banner of ASEAN.

As such, the summary of this study is that the formation of the AUKUS pact has revealed that peace and security of the South China Sea are dependent primarily on the collective conducts of Southeast Asian nations themselves, particularly those with maritime territories in the South China Sea. Whether the AUKUS pact represents a threat to regional security or an instrument for peace, will be determined specifically by future conducts of maritime Southeast Asia that are Brunei, Indonesia, Malaysia, the Philippines, Singapore, and Vietnam. The future of peace and security in the South China Sea also leans on how ASEAN can adapt to change and challenges of the 21st century, project a united front, deal with complex and difficult intra-ASEAN issues and disputes, confront as well as navigate the delicate superpower rivalries in the Indo Pacific.

To put it in another perspective, the security situation in the South China Sea will be essentially decided by collective decisions, policies and actions taken in Bandar Seri Begawan, Jakarta, Putrajaya, Manila, Singapore, and Hanoi rather than in Beijing, Washington DC, London, or Canberra. Thus, ASEAN as a regional body needs to make the important and necessary changes to be respected by all and to be in the driver seat of peace and security in the region, especially in the South China Sea. AUKUS, China

and other aspiring regional and global superpowers such as India and Japan will continue to jostle for influence, domination and in the case of China, resources and territories in the South China Sea, but it will be how ASEAN act and react will make or break the peace and security in the South China Sea.

REFERENCE

Bowers, I. (2022). Counterforce Dilemmas and the Risk of Nuclear War in East Asia. *Journal for Peace and Nuclear Disarmament*, 5(sup1), 6-23.

Chalivet, A. (2022). India's Place in the Quad in Light of AUKUS. *Policy*(18).

Chapman, B. (2022). The Australia, United Kingdom, United States (AUKUS) Nuclear Submarine Agreement: Potential Implications.

Cheng-Chwee, K., LAI, Y. M., & Abdullah, A. A. (2021). Pulau Layang-Layang in Malaysia's South China Sea Policy: Sovereignty Meets Geopolitical Reality amid China-US Rivalry. *International Journal of China Studies*, 189-222.

Cheng, M. (2022). AUKUS: The Changing Dynamic and Its Regional Implications. *European Journal of Development Studies*, 2(1), 1-7.

De Castro, R. C. (2022). Caught Between Appeasement and Limited Hard Balancing: The Philippines' Changing Relations With the Eagle and the Dragon. *Journal of Current Southeast Asian Affairs*, 18681034221081143.

Fravel, T. (2011). China's Strategy in the South China Sea. *Contemporary Southeast Asia: A Journal of International and Strategic Affairs*, 33, 292-319.

Freeman, C. P. (2021). America's tactical multilateralism for Asia and its consequences. *Torino World Affairs Institute*.

Girard, B. (2021). China's AUKUS Response Highlights Beijing's Bunker Mentality. *The Diplomat*. <https://thediplomat.com/2021/10/chinas-aukus-responsehighlights-beijings-bunker-mentality>

Haar, R. (2021). The Biden administration's incompatible views on multilateralism. *Atlantisch Perspectief*, 45(5), 20-24.

Hal, B. (2020). What does China really want? To dominate the world. *The Japan Times*. <https://www.japantimes.co.jp/opinion/2020/05/22/commentary/worldcommentary/china-really-want-dominate-world/>

Ho, B. (2016). The future of ASEAN centrality in the Asia-pacific regional architecture. *Yale J. Int'l Aff.*, 11, 79.

Jaknanihan, A. (2022). Stiffening the ASEAN spine in the South China Sea. *The Interpreter*. <https://www.lowyinstitute.org/theinterpreter/stiffening-asean-spine-south-china-sea>

Lendon, B. (2021b). US steps up challenges to Chinese-claimed islands in South China Sea. *CNN*. <https://edition.cnn.com/2021/02/17/asia/us-navy-south-china-sea-freedom-of-navigation-intl-hnk/index.htm>

Mangiarotti, E. (2021). Situating Malaysia's politics of hedging: historical roots and contemporary challenges.

Noor, E. (2021). What AUKUS means for Malaysia's technological future. In *Pacific Forum*. Honolulu: Pacific Forum.

Ott, M. (2019). The South China Sea in Strategic Terms. *Asia Dispatches*. <https://www.wilsoncenter.org/blog-post/the-south-china-sea-strategic-terms>

Raube, K., & Vega Rubio, R. (2022). Coherence at Last? Transatlantic Cooperation in Response to the Geostrategic Challenge of China [coherence; cooperation; EU; incoherence; security; transatlantic; US; values]. 2022, 10(2), 10.

Rayar, N. S. (2021). Chinese plane incident — Malaysia caught between a rock and a hard place. *Today Online*. <https://www.todayonline.com/commentary/chineseplane-incident-malaysia-caught-between-rock-hard-place>

Roblin, S. (2020). France's Barracuda Attack Submarine Is Changing How Paris Views Military Power. *The National Interest*. <https://warriormaven.com/sea/barracuda-class-why-this-submarine-is-one-of-the-best-on-earth>

Rolland, N. (2020). China's Vision For a New World Order: Implications For The United States. *The National Bureau of Asian Research*. <https://www.nbr.org/publication/chinas-vision-for-a-new-world-order-implications-for-the-united-states/>

Saha, P. (2018). The Quad in the Indo-Pacific: Why ASEAN Remains Cautious. *Observer Research Foundation*, 26.

Selvam, P. (2021). AUKUS: Rise of a conflict and Hishammuddin's foreign policy gaffe. *Focus Malaysia*. <https://focusmalaysia.my/aucus-rise-of-a-conflict-and-hishammuddins-foreign-policy-gaffe/>

Shambaugh, D. (2018). U.S.-China Rivalry in Southeast Asia: Power Shift or Competitive Coexistence? *International Security*, 42(4), 85-127.

Sobarini, E., Rajab, D. D. A., & Waluyo, S. D. (2021). AUKUS Pact in the Perspective of Security Dilemma. *International Journal of Social Science And Human Research*, 4(12), 5

Southgate, L. (2021). AUKUS: The View from ASEAN. *The Diplomat*. <https://thediplomat.com/2021/09/aucus-the-view-from-asean/>

PART V: GLOBAL CORPORATION & SME

CASE STUDY OF DR AISHAH SOLUTION PENETRATING FOREIGN MARKETS IN HALAL HEALTHY FOOD

Norliza Hamir Basah¹, Salwani Arbak²

School of International Studies, Universiti Utara Malaysia, Kedah, Malaysia

Email: hnorliza@uum.edu.my¹ & salwani@uum.edu.my²

Abstract: The concept of Halal highlighted the issues related to safe, hygiene and clean in all related matters. It encompassed all of the personal hygiene of workers, uniform or clothing, tools and equipment used factory and surrounding premises where the food and drink products are being prepared or made through various processes (Hayati et. al, 2008). Dr Aishah Solution Tackle Obesity (DASTO) Sdn Bhd a homemade recipe brand, introduced by a visionary Malay lady, Dr Aishah started its operations from a humble domestic business at home. The main agenda in her business is to produce halal healthy food product on fighting obesity.

Keywords: Halal, healthy, Internationalization, Food

Introduction

Dr Aishah Solution (DAS) is a part of small and medium enterprise firm was established on 18th May 2010. The firm located at No. 3, Kompleks Seri Temin, Jalan Ibrahim, 09800 Sungai Petani, Kedah. Having an enterprising spirit Dr Aishah began a success journey when Healthy food products received an encouraging response. Considering the number of halal healthy food supplier was very few, and then she viewed this as an opportunity to expand her cottage business. “*We have a kitchen clinic at home to process our healthy food namely as crunch and munch*”. Consuming healthy food Dr Aishah has been successful to lose weight from 69kg to 49kg within 5 months. The intentions of the company are to provide solution on smart eating, healthy cooking and active lifestyle. Besides, the objectives of the company are to produce premium, creative, innovative, halal and healthy food and beverages. In the beginning, Dr Aishah started to sell the product only to her patients who came for treatment at her clinic particularly for disease such as diabetes and high blood pressure.

The Uniqueness of Halal Healthy Food Products





Due to our hectic lifestyles had led us to improper meals and poor well being. We realized as doctors we needed to be healthy to set good examples to our patients and the community. We came up with a weight management programme which helped us to be slim and energetic. It worked. Within five months we successfully shed off the unwanted weight. This led us to the idea of sharing scientifically and medically proven ways of slimming down”.

Halal Certificate (JAKIM) of DASTO products

In an Islamic culture, consumers are governed by Islamic norms, which serve as guidance in their daily life. JAKIM (Jabatan Kemajuan Islam Malaysia) has appointed by Malaysia government for issuance certification of Halal logo to the new applicants or for renewing the Halal permit. In line with the intention of Dr Aishah to produce Halal healthy foods, the company has gone through the process from the early stages.

Internationalization of Halal Healthy Food Products

Competitors regularly were trying to conquer domestic consumers causing a big pie to become smaller and putting pressure on revenue growth. The challenge faced by DASTO was not only caused by operating cost. Another problem stemmed on how to go through the Halal process and to obtain the approval from JAKIM. It took around two and half month to complete the process.

Learning Outcomes

Upon completion of the case study analysis, student should be able to:

1. Recognize the key success of Dr Aishah solution on how they can penetrate the foreign market.
2. Identify the key issues faced by Dr Aishah solution to perform well in international platform.
3. Discuss the importance of technology innovation to be as a global player.
4. Analyze the impact of technological innovations on small enterprises.
5. Recommend strategies for improving a company’s sustainability and competitiveness.

References

<https://draishahdasto.com/>

<https://ms-my.facebook.com/draishahsolution/>

<https://www.saladplate.com/supplier/DrAishahSolution>

SERVICE QUALITY AND BUSINESS PERFORMANCE: AN ONLINE SELLER PERSPECTIVE

Norsafinas Md. Saad

International Business Department

School of International Studies

Universiti Utara Malaysia

Corresponding author's email: safinas@uum.edu.my

Abstract: Over the past few decades, e-commerce has dominated a large part of retail industry globally. This is due to the increasing growth of internet access, internet users and online customers worldwide. It has progressively become a way of life for modern consumers, especially for those who have busy life and hectic work agenda. As the trend is expected to continue growing over the long term, many retail firms, be it small, medium, or large firms, are riding on the e-commerce wave. In Malaysia, it seems that not just retail firms that are exploiting the opportunities of e-commerce, individual sellers are also hopping on the bandwagon of e-commerce and online selling. These sellers use various online platforms and social media to set up their online stores and take advantage of the digital channels to communicate with customers and as well as advertise, promote, and sell products. Since the current economic and business environments have prompted online sellers to sustain and thrive in tough and challenging times, they are required to provide good service quality (SERVQUAL) to online customers. In e-commerce market where competition is intense, online sellers need to be proactive, reliable, and trustworthy in order to maintain a competitive edge. The reason being that online customers are not only seeking convenience and low-price products when shopping online, but they also put a strong emphasis on finding online sellers who offer good service quality, which centered around reliability, empathy, responsiveness, and assurance. Thus, the current conceptual paper is set forth to discuss the importance of SERVQUAL on the business of online sellers.

Keywords: Service Quality, Online Shopping, Online Customers, Online Sellers, Malaysia

1.0 INTRODUCTION

In the past decades, the internet has changed and revolutionized the way business is conducted as it allows customers to purchase from companies regardless of where they are in the world. It is undeniably the most efficient platform for borderless online shipping as this system and technology is globally accessible and easy to use. Due to its accessibility and cost-effective nature, the growth of online business has become tremendous around the world for it has opened up the market and business opportunity for small businesses, and as well as individual and independent online sellers. In a recent report, The Edge Markets highlights that online shopping in ASEAN is expected to increase 2.8 times and reach US\$172 billion in 2025, owing to the youth of its population and rising middle income class (Murugiah, 2022). As for the situation in Malaysia, online sales represent 57% of the total retail sales (Ganesan, 2021). In addition, Meta and Bain & Company implies that the country's digital shopping

scenario remains positive with bright future thanks to continuous growth of and savvy Malaysian digital consumers (Aman, 2022).

The optimistic outlook and growth of e-commerce and online shopping in Malaysia indicates that there is a huge business prospects in the long run for the local online sellers. Considering online selling could help sellers to increase sales and reach wider markets, many Malaysian online sellers go the extra mile and come up with several marketing tactics to attract customers and encourage repeat business. However, despite various business efforts and strategies, online sellers have received many complaints from the customers regarding various unsatisfactory transactions. According to the Domestic Trade and Consumer Affairs Ministry, since March 2020 until February 2022, customers had filed 24,150 complaints regarding online transactions (Lai, 2022). The most cited issues faced by online shoppers in Malaysia are concerned with receiving counterfeit products, misleading product information, unsatisfied product quality, delayed delivery, and undelivered goods (Bernama, 2022; Pillay, 2017), sending signals related to untrustworthy, manipulative, and deceptive online business practices. It suggests that some local online sellers fail to deliver what they have promised to the customers. Based on the issues highlighted, the prime focus of the current paper is to bring out the implications of SERVQUAL factors on the business performance of online sellers. Only three SERVQUAL factors, namely reliability, empathy, and responsiveness, are emphasized to better fit with online business context.

2.0 RELIABILITY AND BUSINESS PERFORMANCE

Parasuraman et al. (1988), who first came up with service quality model, describe reliability as the seller's ability to dependably and impeccably deliver the service as promised to the customers. This factor has been pointed out as an important indicator of customer loyalty (Ramya et al, 2019) and their willingness to buy online (Kumar & Dash, 2015). Thus, being reliable and trustworthy can help online sellers to retain customers, drive great sales and boost business performance. In an empirical study by Nair and Choudry (2016), it is proven that reliability does has a significant influence on business performance. Moreover, reliability has also been identified as one of the most critical elements that contribute to customer satisfaction and loyalty (Raza et al., 2020), ultimately leading to an enhancement of online sellers' long-term business performance. According to Xifei and Jin (2015), online sellers with reliability problems would lose customers over bad response and reputation, which in turn will badly affect the sellers' sales and business performance. To avoid such circumstances, online sellers must convey and demonstrate that they are in fact genuine and authentic in terms of being trusted sellers who conduct business transactions as promised and advertised on online platforms, deliver good quality products, and offer outstanding service to online customers.

3.0 RESPONSIVENESS AND BUSINESS PERFORMANCE

Responsiveness is one of the service quality dimensions, which can be best defined as the sellers' willingness to help and serve the customers in a prompt manner (Parasuraman et al., 1988). It is concerned with the online sellers' availability to respond to customers' questions and meet their demands as soon as possible. Online customers normally prefer a fast response to their inquiries especially if they have time constraint because highly responsive online sellers would save their surfing time and effort when shopping online (Li et al., 2020). It is commonly known that customers are

becoming more demanding and intolerant, hence online sellers that can accommodate to their request promptly and help them making buying decision will gain customers' commitment to buy and increase customer loyalty and retention. What is more, being responsive and attentive would ensure that online customers have good experience shopping online, which could result in the spreading of positive word-of-mouth regarding a devoted online seller. According to Pehrsson (2019), sellers' appropriate and dynamic actions in meeting the customers' needs and demands are particularly substantial for their business performance. Therefore, it is of paramount importance for online sellers to respond speedily and consistently to customers' queries and private messages before purchasing and after-sales service. After all, in a digital business era, complicated and slow online business processes would cause customers to shy away from purchasing online or inform others about their prejudice against online shopping.

4. EMPATHY

In a dynamic and competitive online market, empathy may appear as a powerful tool to get business deals over the finish line. Parasuraman et al. (1988), defines empathy as caring and personalized attention sellers provide to customers. It is as one of the key factors that has an impact on business performance. Empathetic sellers are those who put themselves in the customers' shoes and view the problems from the customers' perspective. From the perspective of online business, it relates to online sellers' ability to understand and care about the customers' feelings or difficulties. Sellers who show empathy will be able to connect well and build good business relationships with the customers, which subsequently could positively affect repurchase behavior and business performance. On top of that, empathy motivates information exchange between the buyers and sellers, which helps to reduce uncertainties and doubts facing online customers (Lars Meyer-Waarden et al., 2020). With most of the processes are done digitally, some customers would find buying online upsetting and trickier than they think. Therefore, embracing empathy not only increasing customer loyalty and satisfaction, but also sales and profits. As a matter of fact, it has been argued that empathy associates with business growth and commercial success (Parmar, 2015).

5.0 CONCLUSION

Providing excellent service quality should be a top priority for online sellers. The main objective should be about gaining online customer trust and confidence, building a delighted and optimistic customer experience, and enhance overall business performance. By delivering great quality service to online customers, sellers are making use of their strategic efforts to form a win-win situation when it comes to benefiting from satisfied business transactions. No doubt, exceptional service quality could turn into business opportunities as it is a key to capture more online customers, improve financial outcomes and generate favorable customer experience.

6.0 REFERENCES

Aman, A.S. (2022, September 6). Firmer online spending by consumers to fuel Malaysian e-commerce prospect. <https://www.nst.com.my/business/2022/09/828978/firmer-online-spending-consumers-fuel-malaysian-e-commerce-prospect>

- Bernama (2022, August 4). Nanta: 15,957 complaints received for fraudulent online transactions from Jan 1 to July 31. <https://www.nst.com.my/news/nation/2022/08/819263/nanta-15957-complaints-received-fraudulent-online-transactions-jan-1-july>
- Ganesan, V. (2021, October 20). Malaysia e-shopping king of the region, 9 out of 10 online by end 2021. <https://www.theedgemarkets.com/article/malaysia-eshopping-king-region-9-out-10-online-end2021>
- Kumar, A. & Dash, M.K. (2015). E-service quality dimensions' effect on customers' willingness to buy: structural equation modelling approach. *International Journal Services and Operations Management*, 22 (3), 287-393
- Lai, A. (2022, March 26). <https://www.thestar.com.my/news/nation/2022/03/26/change-of-trend-towards-online-transactions-as-more-complaints-surfaced-says-pm>
- Meyer-Waarden, L., Pavone, G., Poocharoentou, T., Prayatsup, P., Ratinaud, M., Tison, A., and Torné, S. (2020). How service quality influences customer acceptance and usage of chatbots? *Journal of Service Management Research*, 4 (1), 35– 51.
- Murugiah, S. (2022, April 18). BusinessWire: Online shopping in ASEAN expected to be worth US\$172 billion by 2025. <https://www.theedgemarkets.com/article/businesswire-online-shopping-asean-expected-be-worth-us172-billion-2025>
- Nair, G. K., & Choudhary, N. (2016). The impact of service quality on business performance in Qatar-based hotels: An empirical study. *Journal of Hospitality Financial Management*, 24(1), 47–67.
- Parmar, B. (2015). The most (and least) empathetic companies. *Harvard Business Review*. <https://hbr.org/2015/11/2015-empathy-index>
- Pehrsson, A. (2019). When are innovativeness and responsiveness effective in a foreign market? *Journal of International Entrepreneurship*, 17, 19–40.
- Pillay, S. (2017, June 4). Online shoppers in a web of scammers. <https://www.nst.com.my/news/exclusive/2017/06/245502/online-shoppers-webscammers>.
- Ramya, N., Kowsalya, A. & Dharanipriya, K. (2019). Service quality and its dimensions. *EPRA International Journal of Research and Development (IJRD)*, 4 (2), 38-41.
- Feng, X. and Jin, Q. (2015). *The Five Dimensions of E-tailing Service*. *Journal of Marketing Development and Competitiveness*, 9 (1), 83-82.

SMALL ONLINE BUSINESSES BEST ADVERTISING PLATFORM: OUT-OF-HOME ADVERTISING (OOH)

Amalina Farhana Jamalluddin & Noor Azura Azman*
School of International Studies, Universiti Utara Malaysia
*Corresponding author's email: n.azura@uum.edu.my

Abstract: This study explores OOH advertising as the best advertising platform for small businesses in Malaysia. OOH appears to be one of the best solutions for advertisers worldwide, including in Malaysia, who have been overspending on the cost of reaching the right consumers. This paper brings up ideas on the factors influencing the success of OOH advertising.

Introduction

Out-of-home (OOH) advertising is declared the most active compared to all traditional media (Letang and Stillman, 2020). This is due significantly to its quickly incorporating digital technology and amplifying marketing campaigns across online, mobile, and social media platforms. The reinforcement of brand messages among consumers is greatly aided by outdoor advertising, OOH exposes brands to local markets. Regarding geographic flexibility, advertisements can be placed along highways, stores, airports, or anywhere else the laws allow. Furthermore, outdoor advertising has the potential to reach people in specific geographical and demographic areas, as well as national markets. MAGNA 2020 stated that OOH has been vital in APAC in recent years; nevertheless, COVID has negatively impacted the 2020 ad revenues by -22% and is forecast to recover by +10% in 2021 (Kaur Dhandyal et al., 2020).

Based on OAAM president Maareh Starling, in Malaysia, OOH has been showing positive signs after travel restrictions were lifted and traffic started to flood with many types of transportation (Dhesi, 2022). In 2020, Malaysia spent 9.1% of its OOH media budget, which was higher than the global average of 2.4% (Dhesi, 2022). Despite digital marketing availability in Malaysia, billboard advertisements continue to outperform digital marketing in terms of exposure and ROI. Because there are so many billboards in Malaysia, they have always been a big part of outdoor advertising.

Although OOH is one of the oldest famous advertising, OOH media is understudied in the advertising literature (Khang et al., 2016) and receives the fewest average citations of any media category.

This research aims to understand the best factors influencing OOH advertisement in Malaysia for small businesses.

Defining Out-of-Home Advertising

OOH has been defined as commercially available and physically rentable assets located outside the home in both public and commercial settings (Wilson, 2022). OOH Advertising Association of America (OAAA) categorized OOH into 1) billboards, 2) transit, 3) street furniture 4) place based (OAAA,2021). After customers see the commercial at home and see the same brand promoting the same product, OOH catalyzes other media platforms; it creates a brand recall (Dhandyal & Singh, 2022).

Although online advertising positively impacts advertisers and consumers, consumers are still concerned about their privacy (Froehlich, 2022) and feel online advertising is creepy (Dolan, 2021). Thus, many advertisers prefer to invest in OOH advertising as it reaches consumers 24 hours per week during their daily commute, lunch break, and shopping trips (Azianna & Razak, 2017).

Congruence, symbolic values, geo-location, consumer perception, creative ad design, travel time, modes of transfer, gender, and age are independent variables because the variables strongly correlate with distinctiveness (Jun et al., 2019; Bah & Haba, 2019; Cicevic et al., 2013).

This study focused on small business online sellers in Malaysia and utilized self-administered questionnaires.

Theory

The pleasure, arousal, and dominance (PAD) theory, which Mehrabian and Russell introduced in 1974, has been widely utilized to assess how people feel about advertisements (Hall et al., 2017) and consumer behavior (Christ, 1985; Morris et al., 2009)

The Influence of Congruence and Distinctiveness

Distinctiveness is essential in marketing; every advertisement attracts consumers to the market (Ehrenberg et al., 2002). Moreover, (Raza & Zaman, 2021) highlighted that distinctiveness affects advertising across cultures. Regarding marketing strategies, most people believe that distinctiveness is necessary to create a compelling advertisement (Ehrenberg et al., 2002). Based on the literature reviewed above, this study employs the concept of congruence and distinctiveness to assess sellers' perceptions of distinctiveness on Malaysian billboards.

The Influence of Geo-Location and Distinctiveness

Geo-location is vital for advertisement, leading the crowd to purchase the products (Bah & Haba, 2019). Other studies have confirmed that exposure to OOH depends on the location of OOH ads (Wilson & Till, 2011). According to (Hutter, 2015), he identified geographic ambient OOH ads worldwide by blending into urban areas to provide a hedonic experience or practical benefit or by standing out from the environment by being highly distinguished.

The Influence of Consumer Perception and Distinctiveness

Consumer perception is how customers choose, arrange, and analyze information to create a meaningful impression of a brand or product. This three-stage process converts unprocessed stimuli into influential information (Kazmi, 2012). According to (Haba et al., 2017), consumer perception is crucial in advertising since it can show consumers' intentions towards purchases and gauge the value proposition of a good or service. (Bah & Haba, 2019) also confirmed that consumer perception is positively related to the customer intention of OOH advertising.

The Influence of Distinctiveness and Consumer's Emotion Toward OOH Advertising

Distinctiveness is another predictor of emotional responses toward billboard advertising (Jun et al., 2016). Regardless of involvement, distinctiveness affects attitudes and purchase intentions across product categories (Ju, 2013).

The influence of Distinctiveness and Value of OOH Advertising

(Ducoffee, 1996) first introduced value in advertising. (Jun et al., 2019) also confirmed that the distinctiveness strongly correlates with the value of OOH advertising. (Roux and Waladt, 2016) demonstrated that brand value improves the OOH customers.

Conclusion

OOH, advertising has been widely used for a long time, and the demand for advertising keeps increasing, especially after the COVID restriction has been lifted. Although there is much advertising, businesses still choose OOH advertising to promote their brand. This study's limitation is due to the limited location of the OOH ads. Even though this study used general samples of places in Penang and Kuala Lumpur, future studies can remediate this limitation by exploring OOH ads located at various locations to generalize the results of this study.

References

- Alnahdi, S., Ali, M. & Alkayid, K. (2014). *The effectiveness of online advertising via the behavioural targeting mechanism Keywords 2 Literature Review and Research Strategy*. 5(1), 23–31.
- Azianna, M., & Razak, A. (2017). Role of photo stimuli on tourists ' attitudes and brand recognition of outdoor advertisement. *Journal of Tourism, Hospitality & Culinary Arts*. 9(2), 333–344.
- Bah, E., & Haba, F. (2019). Factors Influencing the effectiveness of out-of-home (OOH) Advertisements in Malaysia. *International Journal of Accounting & Business Management*. 7(2), 202-216.
- Christ, W. G. (1985). Voter preference and emotion: Using emotional response to classify decided and undecided voters. *Journal of Applied Social Psychology*, 15(3), 237– 254. <https://doi.org/10.1111/j.1559-1816.1985.tb00899.x>
- Cicevic, S. J., Trifunovic, A. V., Nestic, M. M., & Samcovic, A. (2013). Perception and attitudes towards digital billboards. *2013 11th International Conference on Telecommunications in Modern Satellite, Cable and Broadcasting Services, TELSIKS 2013*, 2, 619–622. <https://doi.org/10.1109/TELSKS.2013.6704454>
- Dhandyal, H., & Singh, P. (2022). Perception of youth Ooh advertising as support medium. *Journal of Positive School Psychology*, 6(4), 1059–1065.
- Dhesi, D. (2022, January 17). Outlook bright for out-of-home segment. *The Star*. <https://www.thestar.com.my/business/business-news/2022/01/17/outlook-bright-for-out-of-home-segment>

- Ehrenberg, A. S. C., Barnard, N. R., Kennedy, R., & Bloom, H. (2002). Brand advertising as creative publicity. *Journal of Advertising Research*, 42(4) 7-18.
- Haba, H. F., Hassan, Z., & Dastane, O. (2017). Factors Leading to Consumer Perceived Value of Smartphones and its Impact on Purchase Intention. *Global Journal of Business Management: An International Journal*, 9(1), 42–72.
- Hall, M., Elliott, K., & Meng, J. (2017). Using the PAD (Pleasure, Arousal, and Dominance) Model to Explain Facebook Attitudes and Use Intentions. *The Journal of Social Media in Society*, 6(1), 144–169.
<http://thejsms.org/tsmri/index.php/TSMRI/article/view/230%0Ahttp://thejsms.org/index.php/TSMRI/article/view/230/118>
- Kaur Dhandyal, H., Parkash Singh, P., Lakhanpal, S., & Singh Thind, N. (2020). To Study The Perception Of Youth file: *European Journal of Molecular & Clinical Medicine*, 7(07), 2020.
- Kazmi, S. Q. (2012). Consumer Perception and Buying Decisions(The Pasta Study) Syeda Quratulain Kazmi. *International Journal of Advancements in Research & Technology*, 1(6).
- Khang, H., Han, S., Shin, S., Jung, A. R., & Kim, M. J. (2016). A retrospective on the state of international advertising research in advertising, communication, and marketing journals: 1963-2014. *International Journal of Advertising*, 35(3), 540–568. <https://doi.org/10.1080/02650487.2015.1066477>
- Lai, J., Cheng, T., & Lansley, G. (2017). Improved targeted outdoor advertising based o on geotagged social media data. *Annals of GIS*, 23(4), 237–250.
<https://doi.org/10.1080/19475683.2017.1382571>
- Ju, I. (2013). Brand distinctiveness vs. brand differentiation: A consumer perspective. Unpublished master’s thesis. College of Journalism and Communication, University of Florida.
- Jun, J., Bae, Y., Ju, I., & Chung, J. (2016). The effect model of billboard advertising media. *Journal of Multidisciplinary Research*. 8(2), 15-31.
- Morris, J. D., Klahr, N. J., Shen, F., Villegas, J., Wright, P., He, G., & Liu, Y. (2009). Mapping a multidimensional emotion in response to television commercials. *Human Brain Mapping*, 30(3), 789–796. <https://doi.org/10.1002/hbm.20544>
- Raza, S. H., & Zaman, U. (2021). Effect of cultural distinctiveness and perception of digital advertising appeals on online purchase intention of clothing brands. *Moderation of gender egalitarianism*, 12(2), 1–19.
<https://doi.org/10.3390/info12020072>
- Wilson, R. T., & Till, B. D. (2011). Effects of outdoor advertising: Does location matter? *Psychology & Marketing*, 28 (9), 909– 933. doi:10.1002/mar.20418
- Wilson, R. T. (2022). Out-of-Home Advertising: A Systematic Review and Research Agenda. *Journal of Advertising*, 0(0), 1–21.
<https://doi.org/10.1080/00913367.2022.2064378>

A CASE STUDY ON THE CEO'S ROLE IN PROTON'S TRANSFORMATION

Narentheren Kaliappen

School of International Studies,

Universiti Utara Malaysia

Corresponding author's email: narentheren@uum.edu.my

Abstract: The Chief Executive Officer (CEO) is crucial in establishing the ethos of an organisation. Although the CEO is just one person, their impact on the company's culture can be significant. Their actions shape the culture of the organisation since culture is simply behaviour. CEOs must consciously strengthen the company's culture, from conveying the long-term direction to ensuring that core values are reflected in day-to-day operations. The previous comments are highly pertinent to Dr Li Chunrong, CEO of Proton. For this reason, this case study describes Li Chunrong's responsibilities as CEO, his difficulties, the state of Proton before he took over, and the transformation he made. In addition, the current success journey of Proton is also discussed in this case study.

Keywords: CEO, Proton, Transformation, Case Study, Malaysia.

INTRODUCTION

Who is Dr Li Chunrong?

Dr Li Chunrong is qualified in the automotive area based on his academic credentials and extensive professional experience. While at Huazhong University of Science and Technology, Dr Li earned a bachelor's degree in electrical automation and a master's degree in industrial engineering and management. He went to the prestigious Massachusetts Institute of Technology in the United States for his second master's degree in business. Dr Li completed his undergraduate degree at MIT and then acquired a doctorate in management engineering from Huazhong University. In 1987, Dr Li began his professional life with the state-owned Dongfeng Motor Corporation. During his time there, he contributed to the growth of Dongfeng's in-house brand and its partnerships with Peugeot, Honda, Nissan, Kia, and Cummins. He founded Dongfeng Passenger Vehicle in 2007 and has served as its CEO ever since. His work in developing the business's design, branding, development, and production procedures created the groundwork for the success of the vehicle manufacturer. Dr Li was recruited by Geely to lead Proton's turnaround when he was the company's senior vice president. On October 29, 2017, he formally began his tenure as CEO of Proton (Foon & Yong, 2019).

What are the challenges he faced once appointed as Proton's CEO?

Contradictory opinions were voiced inside and outside the organisation, with the latter having more sway. His order to auto dealers to expand their smaller 2S and 1S stores to larger 3S and 4S ones that house sales, service, and repair services all under one roof caused a stir. Proton's new management has been accused of bias against the company's

bumiputra distributors after it ordered all distributors to transform their 1S sales centres into 3S service centres (sales, service and spare parts). Dealers' initial reaction to hearing about plans to invest in 3S/4S centres was one of strong opposition. The board of directors challenged him on his preference for external talent. Proton auto part suppliers pushed back when he told them they needed to reduce prices by 30 per cent to compete globally. Dr Li's new administration has been under fire from some quarters because of their stringent new policies.

How was the situation at Proton before he came?

According to the company's financial statement for the fiscal year that ended on March 31, 2016, Proton has RM7.93 billion in unrecognised deferred tax assets. Unrecognised deferred tax assets consist of RM3.387 billion in unused tax losses, RM2.331 billion in unused capital allowances, and RM2.14 billion in unused reinvestment allowances. The remaining amount is for other deductible transitory variances. With only 72,290 vehicles sold in 2016, Proton lost ground to Perodua and Honda, dropping to third place and a 12.5% market share. Sales were down 29.2 per cent from 2015's with 102,174 units sold.

It seems like sales are not doing very well, too. The industry reports Proton's January 2017 sales of 7,200 units were down 6.9% yearly. The net loss for Proton in FY2016, which concluded on March 31, was RM1.46 billion. This significantly declined from the RM646.3 million deficit recorded the previous year. During this time, sales dipped 17% year-over-year to RM4.84 billion. The sale of DRB-Hicom Bhd's 49.9 per cent share in Proton to Geely was announced in September of 2017. Due to Proton's massive loss, DRB-Hicom decided to sell off 100% of its Lotus shares to the company's main shareholder, Tan Sri Syed Mokhtar Albukhary, and to Chinese automaker Geely, both of which bought 50%. The purchase price of RM460.3 million was based on a valuation of 49.9% interest in Proton.

What he did?

As a result of Dr Li's direct and speedy administration, Proton has undergone a radical management overhaul, significant cost savings, the introduction of new products, increased quality controls, and the recruitment of international professionals with specialised knowledge. Seven initiatives have been prioritised over the past few months to rebuild customer faith in Proton.

1. Product

The primary focus is on the product itself. The debut of the Proton X70 has helped boost the brand's reputation. It is a symbol of a joint venture between Proton and Geely. Proton released new and improved Iriz and Persona models at affordable prices. Both the interior and exterior have been upgraded, as well as the general quality. More than 300 things have been updated for the better and completely knocked down (CKD) vehicles also enter production.

2. Quality Assurance

Proton focus on quality assurance as a second strategic pillar. In just 12 months, Proton managed to quadruple the quality of its vehicles compared to the Volvo benchmark. As far as Proton goes, nothing will change.

3. Cost cutting

Proton are focusing on finding ways to cut costs. For Proton's vendors, they have set a goal of a 30% price cut. Proton began planning operations by focusing on logistics. In an effort to save expenses by 31%, Proton consolidated 16 regional warehouses for auto parts into just 4. It amounts to RM33mil in annual cost reduction. Proton have partnered with Geely to make bulk purchases of steel coils and resin, which has reduced the price of these essential components. When it comes to the remaining parts, cost reduction is more challenging. Dr Li hoped to reduce it by 30% but only got 10% last year.

4. Sales network

Proton's fourth strategic focus is on their sales network, and Proton have extensively used 3S and 4S sales/service centres to modernise the vast majority of their sales centres. There are now 75 updated Proton stores. Proton target for this year is to have 100 locations.

5. Plant output

Proton's fifth priority is to maximise plant output, sometimes known as capacity optimisation. All the factories are now located in different areas, but Proton is working to consolidate them into one in Tanjung Malim.

6. Localisation

The sixth priority is the expansion of local autonomy. The present 17 international suppliers would be invited to develop manufacturing facilities in Tanjung Malim by establishing official partnerships and investing a total of RM217 million.

7. Talent

The seventh priority is investing in talent. People are the driving force behind every product, and culture binds them together (teamwork, work ethics, integrity and attitude towards learning and achievement). In the past, Proton only had talent from one country (Malaysia), but now Proton have representation from 13 different nations especially from Chinese, American, Malaysian, German and Canada. Without these skills, Proton's ability to release the X70 and improve the Iriz and Persona would have been severely hampered.

After several months of careful planning, reorganisation, creative problem-solving, and leading by setting an example for others, Dr Li feels optimistic about Proton. For the

past 17 months, Dr Li has been working for 12 hours per day, six days per week, to save the company from continuing to incur losses. Proton is fortunate to have a solid BOD. The upper management has a great deal of relevant work experience. The environment at the company is pleasant and conducive to productivity. He enjoys the support of the union in addition to having a solid workforce overall. When he considers their capabilities, capacity, and record, he is convinced that Proton will succeed.

How was the situation after the transformation?

When Proton released the SUV X70 in December 2018, sales took off. In 2019, first two months saw a 42% increase in annual sales, with 12,300 units transacted (which includes exports). There has also been an increase in market share. The new Proton X70, built by Proton and Geely experts, has received widespread acclaim and enthusiasm from consumers. Proton expects its newly released SUV, the X70, which has already received 20,000 orders, to increase sales this year. The sharp-dressed chief's own goal for the year is to sell 90,000. This is an increase of 39% over last year's total of 64,744. In 2018, Proton sent abroad a total of 1,388 products. It would be great if we could export \$3,000 worth of goods this year. The Middle East was the primary export market last year.

Following Dr Li's 10-year strategy drafted in late 2017, Proton is expected to turn a profit within the first three years. Its goal is to produce 400,000 automobiles by 2027, holding the most significant proportion of the Malaysian auto market. Hong Leong Investment Bank Research reports that Proton turned a quarterly profit for the first time in eight years in the first quarter of 2019, largely thanks to the brand-new X70. After seven months of year-over-year sales increase, Proton retook the number two spot in Malaysia's automobile industry. Compared to the first seven months of 2018, when Proton sold 35,561 vehicles, the company has already sold 52,269 this year, a 47% increase. A fifteen per cent annual market share is projected. The national carmaker said in a statement that it sold 8,590 vehicles in July, adding to the vital statistics it posted in 2018. July's 6% rise compared to June's 23% growth was primarily attributable to the brisk business conducted during the tax holiday period last year (June through August).

The automotive industry produced an estimated 51,960 vehicles in July, of which Proton held a 16.5% share. As the market leaders in their respective SUV classes, the X70 Premium and Executive models were primarily responsible for the increase in sales, though the Persona and revised Iriz also contributed. The company is quietly confident of even better outcomes in the future. Given Proton's consistently robust sales volume on the strength of attractive new model line-ups, Hong Leong Investment Bank predicts that Proton will make a more significant contribution (to DRB profits) to Hicom's in future quarters.

Continuing Success Journey in 2022

Despite a rough start to the year due to the pandemic, Proton managed to conclude the year on a solid note. Annual sales of 114,708 were the most at year's end since 2014. Sales in December amounted to 14,147, the best monthly total since 2014. This is the company's third year of volume growth, and it marks an increase of 4.5% over 2020. Because the Malaysian government predicts the country's Total Industry Volume (TIV) will fall by 4.6% to a little over 505,000 units, this accomplishment is awe-inspiring. Proton is expected to have a 20.6% market share in December, rising to a 22.7% by the end of 2021. This represents an increase of 2.0% over 2020, allowing the company to solidify its position as the market leader further and narrow the gap between it and the market leader in sales.

Since the introduction of the Proton X50 in October 2020, SUVs have become increasingly crucial to Proton's sales figures since the company's first SUV was introduced in December 2018. Proton was recognised as Malaysia's most popular SUV brand in 2021 after selling 45,149 units, or over 40% of the market. The Proton X50 was the best-selling SUV in the world in 2018, selling a total of 28,774 units, with 4,310 sold in December alone. The model has sold over 4,000 units for two months, indicating an increase in manufacturing and client deliveries.

An exclusive media event was conducted at the Proton Centre of Excellence (CoE) to introduce the new 2022 Proton Saga, the newest iteration of the brand's flagship vehicle. With its advanced features, increased safety, and high quality, the new car is a significant step forward for the company and its customers. Proton has released the 2023 Proton Exora. The 7-seater MPV from the national automaker has been updated for the 2023 model year with aesthetic changes highlighting its USPs of remarkable design, extra spaciousness, exceptional intelligence, and exhilarating performance.

Proton had a record year in terms of exports, with sales exceeding the previous year by more than 10%. The company's August export volume of 938 units was the highest monthly total since March 2013. This boosts the company's position as Malaysia's most significant vehicle exporter to 4,040 units in 2022 (PROTON, 2022).

CONCLUSION

The government made the most prudent choice by inviting Geely to acquire a strategic stake in Proton. In the same vein as numerous other global automobile joint ventures, Proton's partnership with Geely is purely a business decision that serves the company's vendors, employees, and customers. This case study demonstrates that the CEO plays a crucial role in defining the company's DNA. CEOs must take active steps to establish the business culture, such as communicating the long-term plan and ensuring that core values are reflected in day-to-day operations. As the chief executive officer of Proton, Dr Li Chunrong demonstrates exceptional leadership and works tirelessly to restructure the organisation to generate profits and earn customers' trust. Although other elements

may contribute to this beneficial shift, Dr Li's roles have been the most influential in bringing about this development.

The earlier-than-expected success of Proton has prompted discussions that Malaysia Airlines, which is incurring losses, should learn from Proton's experience (Foon, 2019). Do you believe that for Malaysia Airlines to make a comeback in the aviation business, it is necessary for the company to have a strategic collaboration with its Chinese counterpart or to appoint a Chinese CEO?

REFERENCES

Foon, H. W. (2019, August 1). *MAS should take a cue from Proton and turn around*. The Star. Retrieved September 26, 2022, from <https://www.thestar.com.my/business/business-news/2019/08/01/mas-should-take-a-cue-from-proton-and-turn-around#qjyvLFxp5m2ireDU.99>

Foon, H. W., & Yong, Y. (2019, November 28). *Proton aims to turn profitable this year*. The Star. Retrieved September 26, 2022, from <https://www.thestar.com.my/news/nation/2019/03/10/proton-aims-to-turn-profitable-this-year-after-overcoming-some-initial-teething-problems-protons-ceo>

PROTON, (2022). *Proton achieves highest sales volume in nine years*. Retrieved September 26, 2022, from <https://www.proton.com/en/press-release/2022/september/proton-achieves-highest-sales-volume-in-9-years>

PART VI: FOREIGN POLICY, CULTURE & HUMANITIES

REVISITING THE CONCEPT AND PRACTICE OF MIDDLEPOWERMANSHIP IN MALAYSIAN FOREIGN POLICY ACTIVISM IN THE POST PANDEMIC ERA

*Muhammad Afifi Abdul Razak, Muhammad Firdaus Uzayr Mohd Adhan, Rusdi
Omar

School of International Studies
Universiti Utara Malaysia
Sintok, kedah

*Corresponding author's email: afifi@uum.edu.my

Abstract: After the Second World War, global pandemic issue, posed by the emergence of Covid-19, has been the biggest shock to the global politics and economy with unprecedented impacts on almost every sector including international relations. Not only states relations were affected, the role of middle powers on this issue, were also put into question, especially with regards to its relevancy. This paper aims to examine and explain the issue of middle power with a special reference to the case of Malaysia in the post pandemic era. In particular, it attempt to understand whether the concept and practice of middlepowermanship aka middle power diplomacy still relevance to the country's foreign policy activism especially in the post-pandemic era. Hence, in order to achieve these aims, the concept of middle power and middlepowermanship in Malaysia foreign policy before, during and post-pandemic era will be examine. In this regard, cultural diplomacy approach as an example of Malaysia's middlepowermanship activism will be further explain and exlaborated. Finally, this paper argues that the concept middlepowermanship are still relevant in Malaysia's foreign policy activism especially in the post-pandemic era. Nevertheless, the approach had been scale down to meet the country's current national interests, needs and capabilities. Among them, are the introduction of cultural diplomacy approach as the basis of the country's foreign policy practice.

KEYWORDS: middle power; middlepowermanship; Malaysia; foreign policy; post-pandemic; cultural diplomacy.

INTRODUCTION

After the Second World War, global pandemic issue, posed by the emergence of Covid-19, has been the biggest shock to the global politics and economy with unprecedented impacts on almost every sector including international relations. Not only states relations were affected, the role of middle powers on this issue, were also put into question, especially with regards to its relevancy.

This paper aims to examine and explain the issue of middle power with a special reference to the case of Malaysia in the post-pandemic era. In particular, it attempt to understand whether the concept and practice of middlepowermanship aka middlepower diplomacy still relevance to the country's foreign policy activism especially in the wake of global pandemic of Covid19 era and beyond.

Hence, the discussion in this paper were divided into five major sections as follows: the concept of middle power and middlepowermanship; Malaysia as a middle power state; middlepowermanship and Malaysian foreign policy activism; cultural diplomacy approach in Malaysian foreign policy; and finally, conclusion.

THE CONCEPT OF MIDDLE POWER AND MIDDLEPOWERMANSHIP

This section attempt to understand and explain the concept of middle power and middlepowermanship. In international relations, a middle power is a sovereign state that is not a great power nor a superpower, but still has large or moderate influence and international recognition. The concept of the "middle power" dates back to the origins of the European state system. In the late 16th century, Italian political thinker Giovanni Botero divided the world into three types of states: *grandissime* (empires), *mezano* (middle powers), and *piccioli* (small powers). According to Botero, a *mezano* or middle power "has sufficient strength and authority to stand on its own without the need of help from others."

No agreed standard method defines which states are middle powers, aside from the broad idea that middle powers are states that have a 'moderate' ability to influence the behaviour of other states, in contrast to small power, which have 'little' ability to influence. Some researchers use Gross National Product (GNP) statistics to draw lists of middle powers around the world. Economically, middle powers are generally those that are not considered too "big" or too "small", however that is defined. However, economy is not always the defining factor. Under the original sense of the term, a middle power was one that had some degree of influence globally, but did not dominate in any one area. However, this usage is not universal, and some define middle power to include nations that can be regarded as regional powers.

According to academics at the University of Leicester and University of Nottingham, "middle power status is usually identified in one of two ways. The traditional and most common way is to aggregate critical physical and material criteria to rank states according to their relative capabilities. Because countries' capabilities differ, they are categorized as superpowers (or great powers), middle powers or small powers. More recently, it is possible to discern a second method for identifying middle power status by focusing on behavioural attributes. This posits that middle powers can be distinguished from superpowers and smaller powers because of their foreign policy behaviour – middle powers carve out a niche for themselves by pursuing a narrow range and particular types of foreign policy interest. In this way middle powers are countries that use their relative diplomatic skills in the service of international peace and stability.

According to Eduard Jordaan of Singapore Management University, All middle powers display foreign policy behaviour that stabilises and legitimises the global order, typically through multilateral and cooperative initiatives. However, emerging and traditional middle powers can be distinguished in terms of their mutually-influencing constitutive and behavioural differences. Constitutively, traditional middle powers are wealthy, stable, egalitarian, social democratic and not regionally influential. Behaviourally, they exhibit a weak and ambivalent regional orientation, constructing identities distinct from powerful states in their regions and offer appeasing concessions to pressures for global reform. Emerging middle powers by contrast are semi-

peripheral, materially inegalitarian and recently democratised states that demonstrate much regional influence and self-association. Behaviourally, they opt for reformist and not radical global change, exhibit a strong regional orientation favouring regional integration but seek also to construct identities distinct from those of the weak states in their region.

Another definition, by the Middle Powers Initiative (MPI), a program of the Global Security Institute, is that "middle power countries are politically and economically significant, internationally respected countries that have renounced the nuclear arms race, a standing that give them significant international credibility."^[3] Under this definition however, nuclear-armed states like India and Pakistan, and every state participant of the NATO nuclear sharing, would not be middle powers.

According to Laura Neak of the International Studies Association, Although there is some conceptual ambiguity surrounding the term middlepowerMANSHIP, middle powers are identified most often by their international behavior—called 'middle power diplomacy'—the tendency to pursue multilateral solutions to international problems, the tendency to embrace compromise positions in international disputes, and the tendency to embrace notions of 'good international citizenship' to guide...diplomacy. Middle powers are states who commit their relative affluence, managerial skills, and international prestige to the preservation of the international order and peace. Middle powers help to maintain the international order through coalition-building, by serving as mediators and "go-betweens," and through international conflict management and resolution activities, such as UN peacekeeping. Middle powers perform these internationalist activities because of an idealistic imperative they associate with being a middle power. The imperative is that the middle powers have a moral responsibility and collective ability to protect the international order from those who would threaten it, including, at times, the great or principal powers. This imperative was particularly profound during the most intense periods of the Cold War.

According to international relations scholar Annette Baker Fox, relationships between middle powers and great powers reveal more intricate behaviors and bargaining schemes than has often been assumed. According to Soeya Yoshihide, "Middle Power does not just mean a state's size or military or economic power. Rather, 'middle power diplomacy' is defined by the issue area where a state invests its resources and knowledge. Middle Power States avoid a direct confrontation with great powers, but they see themselves as 'moral actors' and seek their own role in particular issue areas, such as human rights, environment, and arms regulations. Middle powers are the driving force in the process of transnational institutional-building."

Characteristics of middle power diplomacy include; commitment to multilateralism through global institutions and allying with other middle powers; high degree of civil society penetration in the country's foreign policy; and a country that reflects and forms its national identity through a 'novel foreign policy': Peacekeeping, Human Security, the International Criminal Court, and the Kyoto Protocol.

Meanwhile, the Middle Powers Initiative highlights the importance of middle powers diplomacy. Through MPI, eight international non-governmental organizations are able to work primarily with middle power governments to encourage and educate the nuclear weapons states to take immediate practical steps that reduce nuclear dangers, and commence negotiations to eliminate nuclear weapons. Middle power countries are

particularly influential in issues related to arms control, being that they are politically and economically significant, internationally respected countries that have renounced the nuclear arms race, a standing that gives them significant political credibility.

MALAYSIA AS A MIDDLE POWER STATE

Having said so, this section attempts to examine and qualify Malaysia's status as a middle power state. I argue here that Malaysia, now, is a middle power state. Prof. Johan Saravanamuttu in his book, *Malaysia's Foreign Policy, The First Fifty Years*, postulated that Malaysia had exhibited dimensions and strategies of a middle power state by practicing a middlepowermanship aka middle power diplomacy in its foreign policy dealings and this had served it well.

Middle power statecraft practiced by Malaysia may be said to come within the same discursive terrain as 'soft power' which conceives of how hegemonic states like the USA could be better served by deploying persuasion and 'attraction' rather than hard power in foreign policy. The ambitions, aspirations and stances of Malaysia being a middle power may have emerged in the mid-1990s, becoming increasingly prominent from the 1990s onwards.

Malaysian middlepowermanship may be said to involve the following elements in its foreign policy conduct:

- (i) The aspiration of a state to increase its own influence in the regional and global environment in the pursuance of interests beyond narrowly defined goals;
- (ii) Attempts to change the regional and global environment in accordance to certain self-consciously enunciated goals beyond those of mere state survival, i.e. beyond the short-range core values of state survival;
- (iii) Carrying out the above in the face of competition, countervailing pressures or even conflict with other states, lesser powers and major powers;
- (iv) Carrying out any of the above by providing leadership to other states in the pursuance of their own foreign policy objectives;
- (v) A propensity to use international organisations and institutions to pursue the above goals.

MIDDLEPOWERMANSHIP AND MALAYSIAN FOREIGN POLICY

This section explains the background and historical development of Malaysian middlepowermanship in its foreign policy activism since its early years to the present time, which covers the period before, during and after pandemic, including the contemporary era.

Since its independence to the present time, Malaysian middlepowermanship could well have been practised in various broad foreign terrains in the period of Malaysian prime ministers (from Tunku Abdul Rahman era to the current era of Ismail Sabri Yaakob), such as; in balancing and hedging Western dominance; regional counterpoising through

ASEAN; negotiating the East Asian wave, and championing Islam and co-religionist causes; promoting country's foreign policy and national interests, and last but not least; in managing and fighting the incoming threat of global pandemic of Covid19.

In general, we can say that, Malaysian middlepowermanship in foreign policy may be said to have been effective for a small state, which in later years, clearly aspired towards a middle power role in the Southeast Asian region and also in terms of its persona as a Muslim majority nations. During the Tunku's tenure, we saw its small-state foreign policy nevertheless had large-scale ambitions leading to the self-expansion of statehood from Malaya to a Malaysia. Tunku also began the motions of Southeast Asian regionalism. In the Razak period, foreign policy was infused with a vigorous middlepowermanship. The switch to non-alignment, the recognition of China, the proposal for the neutralization of Southeast Asia put Malaysia on the global map as an exemplar of global good citizenship and conflict resolution.

In the short tenure of the late Tun Hussein Onn, the middlepowermanship management style was continued with initiatives such as the Kuantan Doctrine and the handling crisis of the boat people. The long Tun Mahathir tenure of 22 years saw an evolution of a distinctive and definitive middlepowermanship, through expanding the cope, agendas and counter hegemonic postures in foreign policy making. In the post-Mahathir era, especially during the premierships of Tun Abdullah Badawi, Najib Razak, Tun Mahathir, Muhyiddin Yassin and Ismail Sabri eras, the practice of middlepowermanship in the country's foreign policy had becoming more stable and selective, focusing more on niche areas and issues which suits Malaysia's national interests.

CULTURAL DIPLOMACY APPROACH IN MALAYSIAN FOREIGN POLICY

The final section of this paper explains about the cultural diplomacy approach in Malaysian foreign policy activism as an attempt to illustrate an example of middle power diplomacy tool employed by Malaysia in its foreign dealings. The term cultural diplomacy here is defined as "a course of actions, which are based on and utilize the exchange of ideas, values, traditions and other aspects of culture or identity, whether to strengthen relationships, enhance socio-cultural cooperation, promote national interests and beyond; Cultural diplomacy can be practiced by either the public sector, private sector or civil society."

In practice, cultural diplomacy or applied cultural diplomacy is the application and implementation of the theory of cultural diplomacy, including all models that have been practiced throughout history by individual, community, state or institutional actors. These models include for example diverse cultural exchange programs, international delegations (eg. American jazz ambassadors) or sports competitions. The examples are uniquely able to affect intercultural and interfaith understanding and promote reconciliation. In an increasingly globalized, interdependent world, in which the proliferation of mass communication technology ensures we all have greater access to each other than ever before, cultural diplomacy is critical to fostering peace & stability throughout the world. Cultural diplomacy, when learned and applied at all levels, possesses the unique ability to influence the "Global Public Opinion" and ideology of individuals, communities, nations.

This can accelerate the realization of the 5 important principles as follows - respect and recognition of cultural diversity and heritage; constant global intercultural dialogue; justice, equality and interdependence to all; the protection of global human rights; and global peace and stability. By accomplishing the first principle, one enables the second, which in turn enables the third until the fifth ultimate principle of global peace and stability is achieved.

Cultural diplomacy has a high potential in Malaysia. Malaysia's multicultural society has been a mainstay of its international identity, whose mix of distinct but intertwined cultures serve as the foundation for the values of moderation, peace and harmony. The nation's historical and cultural heritage, however, offer more avenues to showcase and communicate the values that inform Malaysia's foreign policy decisions, from its historical significance as a trade route to the cultures that Malaysia shares with its regional neighbours. Malaysia's efforts towards interreligious dialogue and its social policies are also aspects that will be promoted to ensure the world sees the country's values of diversity, tolerance and respect, while not forgetting its rich thrive of arts and food.

Malaysian government under Ismail Sabri made an effort to introduce this in its foreign policy. For example, the new foreign policy framework being drafted by Wisma Putra will include several new approaches including cultural diplomacy. Foreign Minister, Saifuddin Abdullah said that the draft framework titled 'Focus in Continuity of Framework for Malaysia's Foreign Policy in a Post-pandemic World' was approved by the Cabinet. He further said, under the cultural diplomacy approach, the Foreign Ministry would play a role in assisting the Ministry of Tourism and Culture (MOTAC) and the Ministry of Communications and Multimedia (KKMM) in promoting culture on the international stage. In terms of budget and structure, he said, the government want to build it bit by bit as it learn from the experience of other countries, namely Indonesia, South Korea and so on.

In this regard, Wisma Putra plans to start a cultural diplomacy programme by the middle of this year with the involvement of several embassies. At the initial stage, the government will suggest organizing mini-film and documentary festivals to promote Malaysian culture on the international stage. It will be started with small-scale projects as it feels that the mini festivals could be organised by embassies here as these do not involve big budget. Wisma Putra is currently on a series of visits to its state offices to obtain the relevant input for the success of cultural diplomacy, aimed at sharing with foreign countries on the uniqueness of Malaysian culture.

In the meantime, Wisma Putra also will work closely with International Institute of Islamic Civilisation and Malay World (ISTAC), International Islamic University Malaysia (IIUM), to achieve cultural diplomacy amisen under the Malaysia's Foreign Policy Framework. This cooperation will touch on matters or concepts such as 'peaceful coexistence' or giving 'civilisation input' within the framework of multilateralism which is always used on the international stage. The Foreign Minister said, five initiatives that can be implemented and fine-tuned in the collaboration were to mature the meaning of cultural diplomacy and on international platforms for example by organising many international debates. Other than that, ISTAC also helps in terms of strengthening the current curriculum at the level of courses offered at Institut Diplomasi dan Hubungan Luar (IDFR), in human resources development programmes implemented by Wisma Putra level and programmes for diplomats.

Nevertheless, the practice of cultural diplomacy in Malaysia's foreign policy activism had been cut short after the Malaysian government was dissolved by prime minister Ismail Sabri to give a way for the incoming 15th General Election which is scheduled to be conducted on 19 November this year.

CONCLUSION

This paper concludes that, despite of the emergence threat of global pandemic of Covid19 which occurred in the early 2020, the concept and practice of middlepowermanship are still relevant in Malaysian foreign policy especially in the post pandemic era. Nevertheless, Malaysia's middlepowermanship practice had been scaled down a little bit to meet the country's current national interests, needs and capabilities. Meanwhile, an effort had been made by the government to introduce the cultural diplomacy approach as an important element in the country's foreign policy activism with attempt to the country to strive in global recovery efforts and emerge as a resilient nation – economically, socially and politically – in the international arena.

REFERENCES

- Chapnick, A. (1999). The middle power. *Canadian Foreign Policy Journal*, 7(2), 73-82.
- Jordaan, E. (2003). The concept of a middle power in international relations: distinguishing between emerging and traditional middle powers. *Politikon*, 30(1), 165-181.
- Cooper, D. A. (2011). Challenging contemporary notions of middle power influence: Implications of the proliferation security initiative for "middle power theory". *Foreign Policy Analysis*, 7(3), 317-336.
- Ping, J. H. (2017). *Middle Power Statecraft: Indonesia, Malaysia and the Asia-Pacific*. Routledge.
- Burton, G. (2021). Middle power behavior under multipolarity: Indonesia and Malaysia in the Middle East since the Arab uprisings. *Asian Politics & Policy*, 13(2), 228-247.
- Nossal, K. R., & Stubbs, R. (1997). Mahathir's Malaysia: An Emerging Middle Power?. In *Niche diplomacy* (pp. 147-163). Palgrave Macmillan, London.
- Lee, J. Y. (2017). Hedging strategies of the middle powers in East Asian security: The cases of South Korea and Malaysia. *East Asia*, 34(1), 23-37.
- Ping, J. (2022). Malaysia as an Awkward Middle Power. In *Awkward Powers: Escaping Traditional Great and Middle Power Theory* (pp. 177-197). Palgrave Macmillan, Singapore.
- Said, F. (2019). Combining Defence Diplomacy and Foreign Policy to Project Malaysia as a Middle Power: A Case for Cybersecurity Development. *The Journal of Defence and Security*, 11(2), 22-VII.

Ping, J. H. (2003). *Middle power statecraft: Indonesia and Malaysia* (Doctoral dissertation, University of Adelaide).

Behringer, R. M. (2013). The dynamics of middlepowermanship. *Seton Hall J. Dipl. & Int'l Rel.*, 14, 9.

Salleh, A., & Idris, A. MALAYSIA'S UNITED NATIONS PEACEKEEPING OPERATIONS (1960-2009): SIGNIFICANCE OF MALAYSIA'S MIDDLEPOWERMANSHIP AND ELITES ASPIRATION.

Saravanamuttu, J. (2010). *Malaysia's foreign policy: the first fifty years: alignment, neutralism, Islamism*. Institute of Southeast Asian.

Md Khalid, K. (2009). Malaysian foreign policy orientation and relations in the Post-Mahathir years.

Speech by YAB Dato' Sri Ismail Sabri Yaakob, Prime Minister of Malaysia, at the Launching Ceremony of the 'Focus in Continuity: A Framework for Malaysia's Foreign Policy in a Post-pandemic World', 7 December 2021, Le Meridien, Kuala Lumpur.

<https://www.pmo.gov.my/2021/12/focus-in-continuity-a-framework-for-malaysias-foreign-policy-in-a-post-pandemic-world/>

Ministry of Foreign Affairs Malaysia. Cultural Diplomacy. 2022

<https://fpm.kln.gov.my/index.php/en/about-us-default/focus-area/46-cultural-diplomacy>

Ministry of Communication and Multimedia Malaysia. New Foreign Policy Framework To Include Cultural Diplomacy

<https://www.kkmm.gov.my/en/public/news/20817-new-foreign-policy-framework-to-include-cultural-diplomacy>

STRATEGIC PARTNERSHIP; AN EVALUATION OF CHINA-MALAYSIA RELATIONS.

*Muhammad Ali Ridha Norman & Siti Darwinda Mohamed Pero
Universiti Utara Malaysia

*Corresponding author's email: aliridha@uum.edu.my

Abstract: For much of the Cold War, relations between China and Malaysia were generally tense. Nonetheless, over the last three decades, Malaysia-China relations have experienced an upswing characterized by close cooperation across a wide range of issue areas, most notably since the upgrading of the status of bilateral relations to 'Comprehensive Strategic Partnership' (CSP) in October 2013. Using qualitative research design and traditional approach, this study presents the recent trends in China-Malaysia relations, focusing on the three important aspects of bilateral ties: foundation, developments, and challenges. The article argues that although Malaysia-China relations are strong it has not been without problems. The SCS issue will first and foremost remain a potential pitfall in the relationship. Further, ethnic politics can also complicate China-Malaysia relations in the future. Going forward, both sides cannot afford to ignore these issues to facilitate stable development of CSP between the two countries.

Keywords: Strategic Partnership, China, Malaysia, Bilateral Relations

Introduction

This study explores the recent trends in Malaysia-China relations, with specific reference to the developments in bilateral ties since the post-Cold War era. For many years, especially in the context of the Cold War, relations between the two countries were strained due to the ideological differences and political problems. As a non-Communist country, Malaysian leaders viewed China as a major source of threat, not least in view of Beijing's support for the CPM and close socio-political ties with ethnic Chinese. The former posed a strategic threat to Malaysia while the latter presented a political challenge to the government.

Nonetheless, since the end of the Cold War Malaysia-China relations have experienced an upswing characterized by close collaboration across a wide range of issue areas. Diplomatic ties have also received an upgrade. For instance, a strategic partnership between the two countries in 2004 and the two sides have also agreed to elevate the existing ties to the level of 'comprehensive' which denotes a deeper level of engagement. The notable progress in China-Malaysia relations is significant as both are also the claimants' states in the South China Sea (SCS) dispute which has simmered

since 2008, partly due to China's assertive posture in reinforcing its territorial and sovereignty claims in the disputed area.

Set against this, the reciprocal drive between the two sides to further strengthen bilateral ties is particularly noteworthy. Motivated by the spectacular growth in Malaysia-China relations, this study seeks to evaluate Malaysia-China SP, focusing on its foundation, developments, and challenges.

Methodology

Built on a qualitative research design, this study follows a traditional approach in presenting the foundation, developments, and challenges in China-Malaysia SP. It will first review the foundation of China-Malaysia relations, followed by the developments and end with the challenges in the context of building comprehensive SP. Much of the information and data in this study were gathered through secondary sources such as academic journals, online articles, newspapers, and bilateral agreements speeches of leaders and government officials, as well as other online documents such as annual reports and white papers to facilitate this study.

Findings & Discussion

Historical Background

Relations between Malaysia and China have gone through various stages reflecting the different degrees of engagement. During the early days, ideological differences, and political problems, resulting from China Communist Party's (CCP) support for the Communist groups in Southeast Asia and Beijing's close socio-political ties with the overseas Chinese prevented the two countries from developing closer bilateral ties. Despite being geographically close, relations were diplomatically distanced for the most part of the Cold War.

Genesis of SP between China and Malaysia

The genesis of SP between China and Malaysia can be traced back to the developments in the 1990s. More specifically, it emerged in response to the change in the strategic environments of the post-Cold War era where the world witnessed profound systemic changes from a bipolar to a unipolar world, dominated by the United States and the primacy of economics in world politics, evident in the wave of globalization and the rise of regionalism across the globe. The two unfolding events had a major impact on foreign relations across the globe and influenced the bilateral dynamic in Malaysia's relations with China. First, a shared preference for a 'multipolar world' that enlarges the space for rising power and small states to navigate has provided the basis for both countries to forge closer political ties, especially in view of the US's

post-Cold War policy which tends to promote ‘liberal democracy’ and ‘free market capitalism’; both of which challenged the models of governance and development adopted in the two countries. A case in point is Malaysia’s support for China’s espousal of a multipolar world, backing for China’s entry into the WTO to enhance the position of developing states, and proposal to democratize the UN Security Council so as to allow greater regional representation. Concomitant to a shared preference for a multipolar world was and still is, the growing interest in pushing for regional cooperation to facilitate their respective economic development, especially in the face of growing trading blocs in the West, which posed a challenge to the economy of both countries (Wang, 1998; Liow, 2000; Mustafa, 2014)

Set against this, the first decade of post-Cold War saw the growing cooperation between the two countries at the regional and bilateral levels which by and large laid the groundwork for the formation of SP between the two countries in the 21st century. A case in point is China’s support for Malaysia’s efforts to promote greater cooperation in East Asia. Of noteworthy is the role of Malaysia in bringing China into ASEAN’s cooperative framework from 1990-1996, not to mention their joint efforts in the formation of ASEAN+3 following the Asian Financial Crisis of 1997, designed to promote greater exchange and cooperation, especially in the economic field. That said, bilateral relations between the two sides also improved, most noticeably in the political and economic spheres. Testament to the improved bilateral ties under Mahathir’s watch was the upgrading of relations to partnership in 1996 and the subsequent Joint Statement signed with Chinese leaders on the Framework of Future Bilateral Relations in 1999 wherein the two sides agreed to facilitate “all directional relationships and good neighborliness, friendship and cooperation based on mutual trust and support” (Liow 2000). More significantly, despite the SCS dispute being unresolved, it did not emerge as an obstacle in forging closer ties as both agreed to resolve the issue through dialogue and consultations.

Formation of Strategic Partnership

The reciprocal move to engage with each other in the 1st decade of the post-Cold war era had a knock-on effect on the formation of SP between the two countries. Driven by the mutual desire to jointly take advantage of economic opportunities and respond to common security challenges, Malaysia-China relations continued to take on an upward trend in the 21st century characterized by close collaboration in a wide range of issue areas.

Under Abdullah’s leadership, Malaysia’s relations with China registered an upward trend, characterized by close collaboration in a wide range of issue areas. Much of the concerns in relation to China’s rise had dissipated, thanks to China’s charm offensive which sought to allay some of the concerns amongst ASEAN countries over

the economic and strategic implications of its rise. These comprise among others, China's proposal for the formation of a Free Trade Agreement (FTA) with ASEAN in 2001 and its decision to sign the ASEAN Treaty of Amity (TAC) in 2003; both of which represent the two significant developments in the region that reinforced Malaysia's view of China as a partner in the region.

The most notable upside in Malaysia's ties with China under Abdullah's watch was nothing more than the upgrading of bilateral relations to a 'Strategic Partnership' (SP) since it reflects the growing convergence of interests in economic and security domains. Of noteworthy however is the fact that within the span of less than a few years, two 'Joint Communiqué' was signed between leaders of both countries. The first was signed during Abdullah's visit to China in 2004 to commemorate the 30th anniversary of diplomatic relations and the second was issued during Chinese Premier Wen Jiabao's visit to Malaysia to participate in the first East Asian Summit (EAS) held in Kuala Lumpur. (Joint Communiqué 2004; Xinhua 15 December 2005). Among other things, both sides agreed to facilitate greater exchange and cooperation at all levels and in all sectors to sustain a comprehensive development of bilateral ties. Also, the two leaders agreed to follow the DOC in order to maintain tranquillity in the SCS and to focus instead on joint cooperation in disputed water. (Wu, 2013). On the whole, these two JC served as a testament to their commitment to further improve future relations.

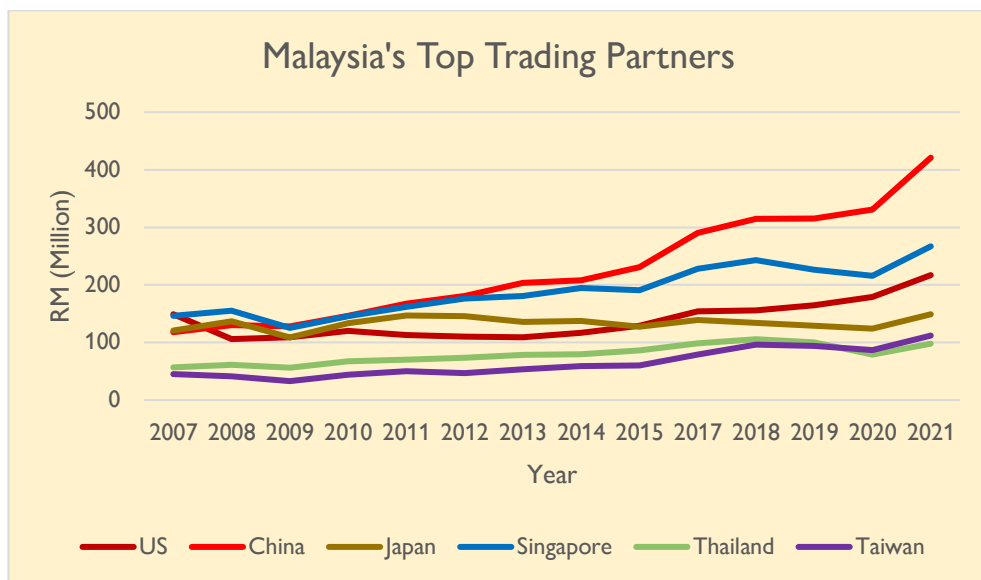
Comprehensive Strategic Partnership

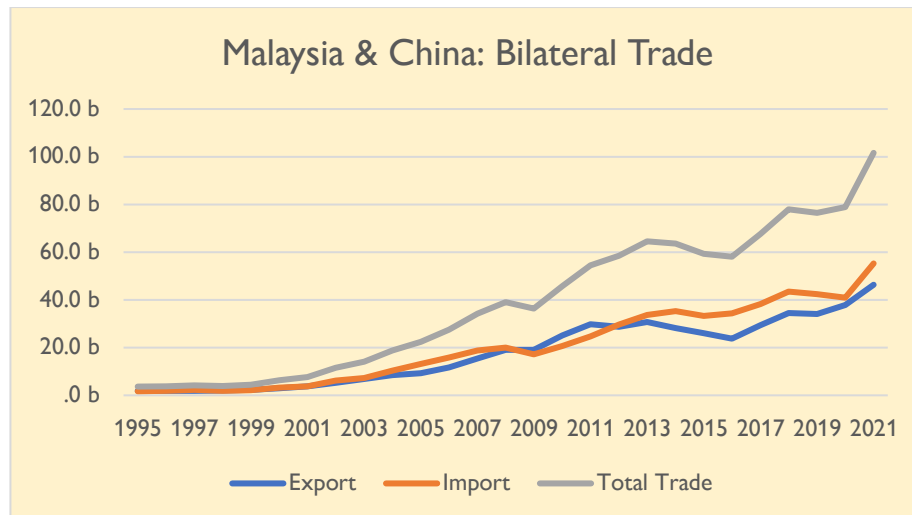
China's ties with Malaysia continue to improve under the watch of Najib Razak who succeeded Abdullah in 2008 against the backdrop of the Global Financial Crisis (GFC) in 2008/2009 and China's charm offensive, evident in its assertive foreign policy posture in the SCS and the Belt and Road Initiative (BRI) designed to facilitate greater exchange and cooperation between China and the region. Yet, none of these developments reversed the upward trajectory in the SP being developed between the two countries. On the contrary, under Najib Malaysia's ties with China went into full swing, characterized by deepening collaboration across a wide range of issue areas. Testament to the enhanced relations was the proposal to upgrade bilateral ties to the "Comprehensive Strategic Partnership" (CSP) during Chinese leader Xi Jinping's visit to Malaysia in 2013 and the 4th Joint Communiqué signed during Najib's reciprocal visit to China in 2014 formalizing China-Malaysia CSP. Among other items, both sides agreed to forge a partnership in promoting common peace and development in the region and to facilitate exchange and cooperation in all areas of bilateral ties. More fundamentally, the two leaders also agreed that overlapping claims in the SCS should be resolved through dialogue and that the involvement of parties not involved in the dispute (an indirect reference to the US would only complicate the matters. (Bing, 2018). Such posturing signified the deepening of bilateral trust and mutual commitment to promote the stable development of bilateral relations.

Achievement in Bilateral Relations

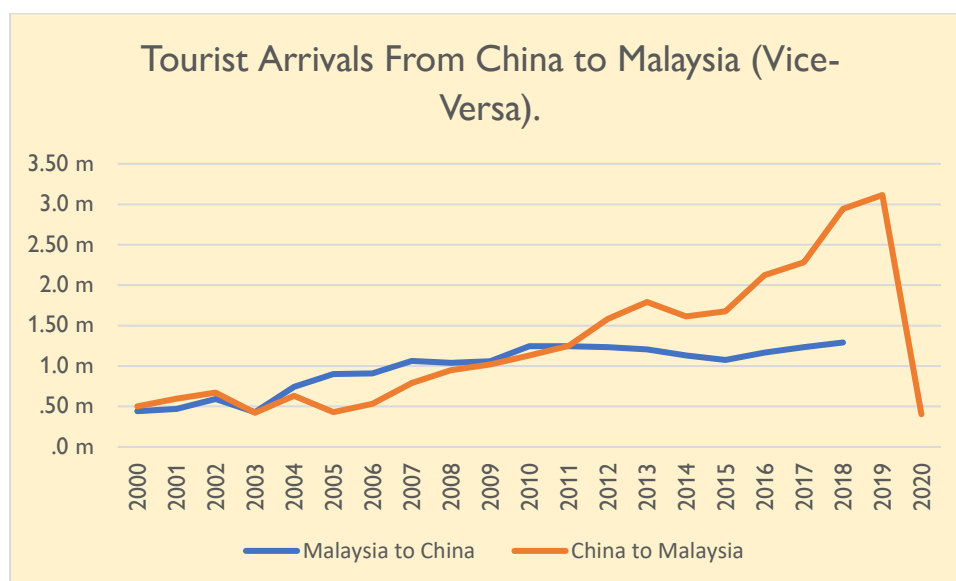
Built upon the above consensus, relations between China and Malaysia improved by leaps and bound. For instance, economic exchange and cooperation between the two countries have broadened and deepened through the SP policies. Since 2008 China has become Malaysia's largest trading partner while Malaysia for a number of years was China's largest trading partner within the ASEAN bloc and its third-largest trading partner in Asia after Japan and South Korea (Bing, 2000). The notable growth in the two-way trade underscored the growing SP between the two countries. Further, China has also emerged as the largest source of FDI for Malaysia's manufacturing sector which is the backbone of its economy (MITI, 2020).

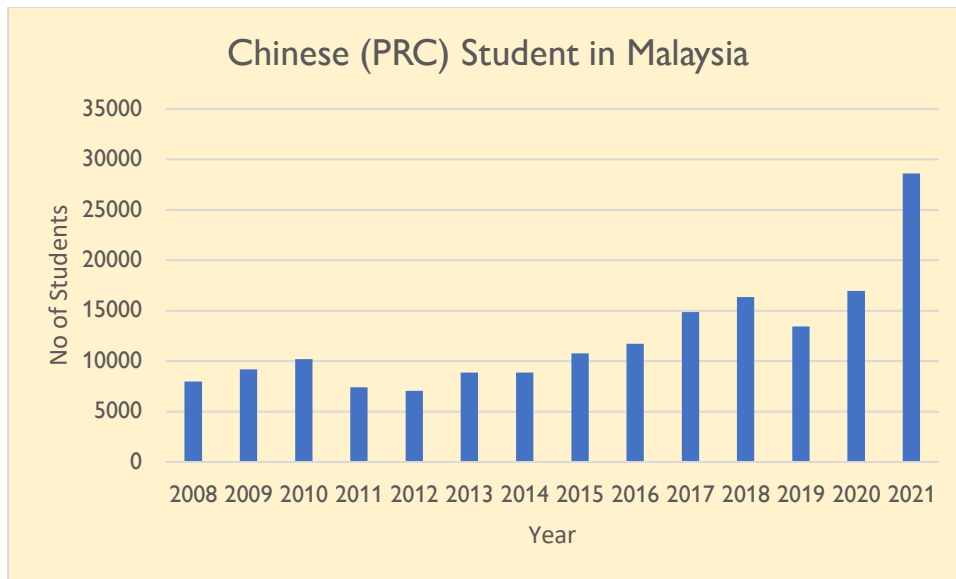
The data sets below not only illustrate the speed of growth in bilateral trade but also the growing importance of China to Malaysia. From 2008 to 2020, Malaysia's trade with China skyrocketed from RM130mil to RM331mil. Export to China also increased dramatically from RM63mil to RM159mil in 2008. That said, under the leadership of Najib (2008-2018) and the next government under Mahathir to the present day, Malaysia was and still is the main beneficiary of China's economic growth in Southeast Asia.





Economic cooperation aside, sociocultural exchanges have also flourished in the span of partnership policies, with Malaysia’s tourism industry benefitting from an influx of Chinese tourists since 2014, prior to the onset of the Covid-19 pandemic. According to the report, China has become the third largest source of tourists for Malaysia with the number reaching 3mil in 2019. (Tourism Malaysia, 2019). The steady growth in their number of arrivals is significant in the context of bilateral relations. Further, the intensification of cultural and educational exchanges has also resulted in a healthy enrolment of Chinese students in Malaysia’s higher education. Since 2019, students from China have become the largest source of foreign students in Malaysia’s tertiary institutions. Meanwhile, the presence of Chinese institutions such as the Confucius Institute and Xiamen University also marked an upside in Malaysia-China relations. That both tourism and education sectors have now become a new source of revenue for Malaysia vis-à-vis China in the 21st century is noteworthy. Not only it shows the growing societal links in the partnership which thicken the layer in bilateral ties but also the increasing importance of China to Malaysia.





Socio-cultural cooperation aside, defense relations between the two countries also improved since the upgrading of bilateral ties to CSP in 2013; an area that received far less attention under the Abdullah era. From 2008 onward, especially Malaysia-China defense relations improved admirably despite the ongoing dispute in the SCS. For instance, combined exercises between the armed forces of the two countries were held on a regular basis from 2015-2018, frequency of Chinese naval visits to Malaysia also increased during the same period, more notably however was the purchase of navy vessels from China in 2016 which represent a breakthrough in China-Malaysia defense relations. Nonetheless, it is also worth noting that, the change of government in 2018, 2020, and 2021 and the surge of the Covid-19 pandemic slowed down the progress in defense interactions between the two countries. As such, of all dimension defense cooperation remained the least developed stand in bilateral ties, hence a downside in the SP, especially in view of Malaysia’s growing concern over Chinese’s naval activities in the SCS.

Challenges

The above findings show that since the end of the Cold War Malaysia-China relations have taken on an upward trend, characterized by close collaborations over a wide range of issue areas. However, relations are not without problems. This section discusses some of the potential pitfalls in Malaysia-China SP.

The SCS dispute, for one, has remained the most difficult issue in Malaysia’s ties with China throughout the post-Cold war era with both sides involved in competing for maritime territorial claims vis-à-vis few other claimant countries. However, the issue has not emerged as an obstacle to the development of bilateral ties. However, China’s assertive posture in the SCS and its growing activities in Malaysia’s EEZ since 2014 can affect the bilateral dynamic in the partnership between the two countries. This

is especially so in view of Malaysia's recent reaction to the issues. First, Malaysia's defense white paper (DWP-2019) has declared the issue as one of the country's top priorities and dismissed the presence of foreign vessels in the area as a "clear challenge to Malaysia's sovereignty rights". That Malaysia has openly rejected China's nine-dash line claims and taken its case to United Nations (UN) despite Beijing's objection is noteworthy (Aljazeera, 2019). These moves not only reflect Malaysia's growing unease at the continuing presence of Chinese vessels within the territorial water but also indicates that the SCS issue may emerge as a new source of irritants in their bilateral ties and can possibly cause a setback in the future development of China-Malaysia CSP. This is especially so in view of the prevailing concern in Malaysia over the risk of being economically dependent on China. Much of this worry stems though not entirely from China's tendency to use economics as leverage in dealing with other claimant countries in the SCS. As such, the issue is highly relevant to CSP being developed between the two countries.

The second issue which needs more attention is the orientation of ethnic politics in Malaysia as it can possibly influence the bilateral dynamic inherent in the partnership. Put differently, although the large size of ethnic Chinese has been an important factor in the development of bilateral relations, their presence can also cause a setback in China-Malaysia relations, especially when tension between the Malay and ethnic Chinese is considerably high (Chan, 2017). This is because, it will not only complicate China's interaction with the overseas Chinese but also increase its risk of being entangled in Malaysia's domestic politics, especially in view of Beijing's recent emphasis on enhancing ties with the diaspora. For instance, the remark by the Chinese ambassador to Malaysia in the wake of growing ethnic tension between the Malays and ethnic Chinese was taken as a clear-cut interference in Malaysia's domestic affairs and raised concern over external influence despite the clarification from the Chinese embassy that the statement was made out of concern over the safety of Chinese tourists and to preserve relations with Malaysia. That said, there is a concern that a close partnership with China will enhance the position of ethnic Chinese in political and economic domains at the expense of the Malays. Moreover, the perception that China's increased investment would benefit some while disadvantaging others thus widening the pre-existing socioeconomic divide along ethnic lines is also noteworthy.

That aside, Beijing's alleged oppression of Xinjiang's Muslim-minority Uyghur is another problematic bilateral issue-areas with domestic political repercussions. Although the issue is China's domestic affairs, it came to capture the headline in Malaysia in early 2019 which led to a series of protests against China in Kuala Lumpur calling for the end of discrimination against the Muslim community. Of noteworthy, here is that the Uyghur issue brought the Pakatan Harapan (PH) coalition government (2018-2020) under domestic pressure for appearing less critical on the issue. Given the alleged plight of the Uyghur community in China is less than clear, partly due to contradictory reports, there is a chance for the issue to resurface in Malaysia's domestic

politics, especially in view of the recent criticism against the PN government (2018-2022) over its decision to abstain in the UN vote over the Xinjiang issue, much less in the context of post-GE15 politics.

Conclusion

This study has shown that the SP between China and Malaysia has experienced an upswing characterized by close collaboration across a wide range of issue areas. Founded on shared interests, brought on by the change in strategic environments in the post-Cold War era, bilateral ties have continued to take on an upward trend, evident in the formation of SP in 2004 and the upgrading of SP to comprehensive (CSP) one in 2013. The scope of cooperation has also broadened and deepened within the span of partnership policies, covering a few domains such as political, economic, cultural, and defense. However, despite the spectacular growth in cooperation, Malaysia's relationship with China is not free from problems. Few issues are likely to emerge in the partnership. These include the SCS issue and ethnic politics in Malaysia both of which have the potential to complicate China'-Malaysia relations in the future. As such, despite the growing convergence of economic and strategic interests, the partnership cannot, however, ignore these important issues to facilitate stable development of bilateral ties.

References

- Leong, S. (1987). Malaysia and the People's Republic of China in the 1980s: political vigilance and economic pragmatism. *Asian Survey*, 27(10), 1109-1126.
- Liow, J. C. Y. (2000). Malaysia-China Relations in the 1990s: the Maturing of a Partnership. *Asian Survey*, 672-691.
- Wang, Q. K. (1998). In search of stability and multipolarity: China's changing foreign policy towards Southeast Asia after the cold war. *Asian Journal of Political Science*, 6(2), 57-78.
- Aiyara, T., Chow-Bing, N., Druce, S. C., Ganesan, N., Julay, A. H., Jash, A., ... & Yamada, T. S. (2018). *China and Southeast Asia in the Xi Jinping Era*. Lexington Books.
- Chan, X. Y. (2017). China-Malaysia Relations: The Three Dilemmas of Malaysian Chinese.
- Kuik, C. C. (2013). Making sense of Malaysia's china policy: Asymmetry, proximity, and elite's domestic authority. *Chinese Journal of International Politics*, 6(4), 429-467.
- Bing, N. C. (2015). Comprehensive strategic partners but prosaic military ties: the development of Malaysia-China defence relations 1991-2015. *Contemporary Southeast Asia*, 269-304.

Akhir, M. N. M., Leong, L. C., & Tahir, H. M. (2018). Malaysia-China bilateral relations, 1974-2018. *WILAYAH: The International Journal of East Asian Studies*, 7(1), 1-26.

Meng, L. Y., De Silva, M., & Yunqi, W. (2021). CROUCHING TIGER, ASCENDING DRAGON: THE TRENDS AND DYNAMICS OF MALAYSIA-CHINA RELATIONS CROUCHING TIGER, ASCENDING DRAGON: TREND DAN DINAMIKA HUBUNGAN MALAYSIA-CHINA.

Nagalan, S., & Krishnan, T. (2018). THE SOUTH CHINA SEA CONFLICT: MANAGING MALAYSIA-CHINA MARITIME RELATIONSHIP. *The Journal of Defence and Security*, 9(1), 76-II.

Cheng-Chwee, K. (2014). Malaysia–China relations 1: Three enduring themes. In *Routledge Handbook of Contemporary Malaysia* (pp. 417-427). Routledge.

PART VII: INTERNATIONAL RELATIONS & DIPLOMACY

THE UN SECURITY COUNCIL'S VETO POWER: REFLECTIONS ON RUSSIA'S INVASION OF UKRAINE IN 2022

Mas Juliana Mukhtaruddin¹, Beh Zeng Kang²
School of International Studies, College of Law, Government and International
Studies, University Utara Malaysia^{1,2}
E-mail Affiliation¹: mas@uum.edu.my

Abstract: The United Nations Security Council (UNSC) is the primary organ in the United Nations (UN) with the highest power to recognize resolutions on member nations, perform peacekeeping operations, authorize sanctions, and impose armed forces in conflictual zones. Thus, the UNSC held the primary role and lead the responsibilities with its power and privileges in maintaining international peace and security. However, Russia's recent invasion and attack on Ukraine's territorial and civilians in February 2022 have caused thousands of deaths and building damages. The Russian act of aggression against Ukraine was deemed a breach of international law, jeopardizing the sovereignty of the Ukrainian territorial, global peace, and security sovereignty. The UNSC failed to act responsively to halt the Russian attack on Ukraine. Instead, the Russians used the veto privileges as permanent members of the Security Council to block any draft council resolution. This shows the failure of the UNSC and undermines the UN's ability to advance justice, peace, and security. The procedures for data collection methods are based on qualitative research, which incorporates both primary and secondary data. The purpose of this article is to first assess the UN Security Council Permanent Members' failure in promoting peace and security. Second, to examine world leaders' standpoints on the Russia-Ukraine Crisis 2022. However, the UNSC permanent members misuse the veto to defend their national interests or uphold a fundamental foreign policy principle.

Keywords: Leaders, Russia-Ukraine, UN Security Council, United Nations, Veto Power.

INTRODUCTION

The United Nations Security Council (known as "UNSC") has a primary role and responsibility in promoting and maintaining global peace and security. As a key United Nations (UN) body, the UNSC has a huge responsibility to stop global threats and aggressions while also protecting its members from acts of violence (United Nations Peacekeeping, n.d.). In the case of conflict, war, or contentious grounds, the UNSC will implore the parties to pursue peaceful means of dispute resolution and engage in negotiations. In addition, if required to preserve and reestablish peace and security, the UNSC may sanction a nation or approve the use of force.

The UNSC comprises five (5) permanent members notably the United States (US), Russia, China, British, and France. Together with the other ten (10) elected non-

permanent members. Davenport, Reif, and Kimball (2020) have asserted that the permanent member also known as P5 is the "Nuclear Weapon States (NWS)" because of their potent defense assets. The P5 are exceptional among UN members in that they hold veto power. The other ten non-permanent members of the UNSC are selected for two-year terms based on geographical regions. Every UNSC member must abide by the decisions taken by the council and support its resolutions (United Nations Security Council, n.d.).

The invasion of Ukraine by Russia in February 2022 is the most recent act of violence that has the entire globe alarmed. This Russia and Ukraine conflict led to the act of international aggression. Pita and Costa (2022) claimed that Russia's assault against Ukraine was to blame for the region's worst refugee crisis. According to the United Nations High Commissioner for Refugees (UNCHR), a fifth of the population of Ukraine was left homeless and millions of Ukrainians were reportedly compelled to flee their nation (Operational Data Portal, 2022).

The aggression and invasion made of Ukraine by Russia and its ally are manifesting as a violation UN Charter and committing an international crime war. Council on Foreign Relations (2022) stated that Article 2(4) of the UN Charter, which forbids UN member states from employing force is a cornerstone of the organization. The supporting member states of all those involved in this crime hold the violators accountable. As mentioned in international law, all governments must resolve international conflicts amicably and without endangering global stability, justice, or security. Russia's action violates its international commitments (Winter, 2022).

The UN's rules and principles are violated by its acts. UNSC as the responsible body in the UN finds it too complex to solve the Russian growing invasion of Ukraine. To put it another way, a P5 member may prevent the adoption of whatever decision not having to be concerned about every UNSC resolution that it deems for being contrary to its country's interests (Yee, 2022).

Among the five permanent members, Russia uses the most veto power. Russia has utilized the veto far more often as of 1992, ahead of the US and China. Since 1989, France and the United Kingdom (UK) have not employed their veto power. Russia/Soviet Union was using its veto 121 times as of May 2022, the US 82 times, the UK 29 times, China 17 times, and France 16 times (Torres, 2022). Nearly 50 percent of the vetoes were made (Security Council report, 2020). Until today, there has not been any resolution to halt the Russian aggression on Ukraine by the UNSC, especially the P5 member. Thus, this article aims firstly, to examine the misuse of the Veto power of the UNSC in resolving the Russian invasion of Ukraine. The second part is to analyze how world leaders respond to Russia invading Ukraine in 2022.

METHOD

This study employs the qualitative research methodology. The qualitative approach entailed gathering and examining non-numerical data to comprehend ideas, viewpoints, experiences, and other relevant topics. The chosen data was also subjected to content analysis, which involves scrutinizing the information's words, sentences, and visual components. To get reliable and precise data, primary sources were gathered as the main source of information. Significantly, qualitative data offers a rich and thorough approach to this kind of study (Miles & Huberman, 1994). It also refers to a broad range of methodologies for examining how people behave and make sense of the world in particular settings (Holley & Harris, 2019). This applied method is appropriately used in the analysis due to its general characteristics. The data obtained came from primary and secondary sources specifically reports attained from the UNSC and the UN official website, UN General Assembly (UNGA) press releases, newspapers, and related articles.

FINDINGS AND DISCUSSION

The Russo-Ukrainian war, which started in the wake of the Ukrainian Movement for Independence in February 2014, saw an upsurge in violence with the Russian invasion. Later, Russia annexed Crimea. Part of the Donbas region in Ukraine was taken over by Russian rebel forces, starting a war (Sullivan & Isachenkov, 2014). After that, Russia started to increase its military infrastructure and capabilities along the border with Ukraine, amassing 175,000 soldiers equipped with weaponry and battle assets (Harris & Sonne, 2021).

Two widely unrecognized self-declared quasi-states are the Donetsk People's Republic (DNR) and the Lugansk People's Republic (LNR). In the eastern Donbas region, these two organizations are led by separatists who support Russia (Kuznetsova & Kyiv, 2020). The Russian government acknowledged these two organizations on February 21, 2022, and armed forces were sent into both territories (Hernandez, 2022; Panetta, 2022). The invasion was carried out to demilitarize and de-nazify Ukraine (Grunau et al, 2022). Immediately after the attack, missiles and airstrikes were launched, and military invaders made different directions over the Ukrainian territory (Yeung et al, 2022).

World leaders have strongly denounced and condemned the Russian President's decision to launch a "special military operation" in Ukraine in February 2022 (United Nations, 2022). Former British Prime Minister Boris Johnson, Canadian Prime Minister Justin Trudeau, French President Emmanuel Macron, and US President Joe Biden were among them (Panetta, 2022). However, the Russian President warned everyone not to

meddle with his decision to invade Ukraine or else, he will act promptly (Lu, 2022). The Russian President vowed that any meddling would have serious consequences.

United States, Albania, and the UNSC member put forth a peace plan calling for an urgent halt to hostilities and the use of force against Ukraine (Kote, 2022). The military troops of Russian shall be completely and immediately withdrawn from Ukraine's territory which violated the territorial and sovereignty integrity. The peace plan condemned Russia's aggressive behavior as a violation of Article 2, paragraph 4 of the UN Charter, which states that no members may act aggressively toward one another because it undermines the UN's goals (SOFREP, 2022).

The peace plan garnered support from the 11 members of the UNSC. However, it was vetoed by Russia and abstained by India, China, and UAE (Nichols & Pamuk, 2022). Thus, the draft of the peace plan was rejected by the UNSC to end the Russian government's offensive act against Ukraine. Although the UNGA passed a resolution condemning Russia's invasion of Ukraine and calling for an immediate halt and troop pullout, it is not enforceable by law (Günerigök, 2022).

As a reflection of the opinions of the UN membership, the adopted peace plan received support from 141 member states, with 35 abstentions and 5 vetoes. Moscow and its ally are to be put under pressure. Richard Gowan, the UN Director for the International Crisis Group, argued that while the UNSC's peace plan won't stop Russia from invading Ukraine, the US and the Ukrainians will both achieve significant diplomatic success together with those who supported them (Borger, 2022).

Russia was the only country in the UNSC that blocked the passing of the peace plan. This reveals the UN's limited ability to influence the most powerful nations around the globe. As a result, the UN is increasingly criticized for failing to react and act decisively on this issue (Lu, 2022; Hannum, 2022). Even while the UNSC might find it difficult to approve the use of force in Ukraine, it still has other power over the conflict. These include applying political influence, making judgments through the judicial system, conducting investigations, and providing humanitarian relief.

World leaders have strongly denounced and condemned the Russian President's decision to launch a "special military operation" in Ukraine in February 2022 (United Nations, 2022). Former British Prime Minister Boris Johnson, Canadian Prime Minister Justin Trudeau, French President Emmanuel Macron, and US President Joe Biden were among them (Panetta, 2022). However, the Russian President warned everyone not to meddle with his decision to invade Ukraine or else, he will act promptly (Lu, 2022). The Russian President vowed that any meddling would have serious consequences.

United States, Albania, and the UNSC member put forth a peace plan calling for an urgent halt to hostilities and the use of force against Ukraine (Kote, 2022). The military

troops of Russian shall be completely and immediately withdrawn from Ukraine's territory which violated the territorial and sovereignty integrity. The peace plan condemned Russia's aggressive behavior as a violation of Article 2, paragraph 4 of the UN Charter, which states that no members may act aggressively toward one another because it undermines the UN's goals (SOFREP, 2022).

Unfortunately, the veto power failed to execute its “democratic character” (Mallow, 2019) in international wars like those in Palestine, Myanmar, and Ukraine, allowing the war criminal to go unpunished. As mentioned before, many world leaders condemned the act of violence (Panetta, 2022) and the UNSC failed to address those aggressions. As a former non-permanent member of the UNSC for four terms (1965, 1989–1990, 1999–2000, and 2015–2016), Malaysia has taken a similar stance against the abuse of veto power during world conflicts and crises. Thus, Ismail Sobri, the Prime Minister of Malaysia, recently recommended at the 77th UNGA that the way forward is to ensure the UN returns to its roots by eliminating the veto powers of the UNSC (Bernama, 2022). The disputed conflict and war have once shown again the veto power remains to be a major stumbling block in maintaining peace and security within the UNSC and the UN.

CONCLUSION

Russia's invasion of Ukraine has shown the fragility of the global system. One obvious problem that requires attention is the UNSC's crucial role in managing peaceful means of resolving international conflicts. Thus, the Russian invasion of Ukraine in 2022 has again sparked fresh doubts about Russia's rightful place in the UNSC. On the other hand, Russia's expulsion from the UN or UNSC continues to be a serious obstacle because the permanent member has veto power over such decisions. Therefore, the UN has been asked repeatedly throughout the years to pay attention to pleas for development and reform. However, the suggested UNSC reform ideas might not be strong enough to attract support from the member states and succeed in the UNGA meetings. Nonetheless, the crisis of Russia's invasion of Ukraine reminds the UNSC not to abuse its power over other countries.

ACKNOWLEDGEMENT

*This research was supported by the Ministry of Higher Education (MoHE) of Malaysia through Fundamental Research Grant Scheme (FRGS/1/2018/SS02/UUM/02/8).

*This paper is funded by the Ghazali Shafie Graduate School of Government (GSGSG), UUM.

REFERENCES

Bernama. (2022, September 26). *Security Council veto power remains a conundrum, abolishing it the best way forward*. Sinar Daily. <https://www.sinardaily.my/article/180689/malaysia/national/security-council-veto-power-remains-a-conundrum-abolishing-it-the-best-way-forward>

Borger, J. (2022, March 3). *UN votes to condemn Russia's invasion of Ukraine and calls for withdrawal*. the Guardian. <https://www.theguardian.com/world/2022/mar/02/united-nations-russia-ukraine-vote>

Callahan, M. (2022, April 14). *The shackles of the United Nations Security Council veto, explained*. Retrieved from <https://news.northeastern.edu/2022/04/14/united-nations-security-council-veto/>

Council on Foreign Relations. (2022, February 28). *How Russia's invasion of Ukraine violates international law*. <https://www.cfr.org/article/how-russias-invasion-ukraine-violates-international-law>

Grunau, A., Von, H., Matthias, T., Eugene, J. & Joscha (25 February 2022). "Fact check: Do Vladimir Putin's justifications for going to war against Ukraine add up?". Deutsche Welle. Retrieved from <https://www.dw.com/en/fact-check-do-vladimir-putin>

Günerigök, S. (2022, March 1). *UN General Assembly president calls for Russia-Ukraine cease-fire*. Anadolu Ajansı. <https://www.aa.com.tr/en/russia-ukraine-crisis/un-general-assembly-president-calls-for-russia-ukraine-cess-fire/2518896>

Hannum, J. (2022, April 29). *What criticism about the UN and Ukraine misses*. The Hill. <https://thehill.com/opinion/international/3471812-what-criticism-about-the-un-and-ukraine-misses/>

Harris, S., & Sonne, P. (2021, December 21). *Russia planning massive military offensive against Ukraine involving 175,000 troops, U.S. intelligence warns*. The Washington Post. Retrieved from https://www.washingtonpost.com/national-security/russia-ukraine-invasion/2021/12/03/98a3760e-546b-11ec-8769-2f4ecdf7a2ad_story.html

Hernandez, J. (2022, February 22). "Why Luhansk and Donetsk are key to understanding the latest escalation in Ukraine. Retrieved from <https://www.npr.org/2022/02/22/1082345068/why-luhansk-and-donetsk-are-key-to-understanding-the-latest-escalation-in-ukrain>

Holley, K. A., & Harris, M. S. (2019). *The qualitative dissertation in education: A guide for integrating research and practice*. Routledge.

Kote, K. (2022, February 25). *Albania, US present draft resolution against Russia's attack on Ukraine*. ALBANIA DAILY

NEWS. <https://albaniandailynews.com/news/albania-us-present-draft-resolution-against-russia-s-attack-on-ukraine>

Kuznetsova, E. & Kyiv,. (2020). Media systems in unrecognized states: "people's media" in "people's republics". Retrieved from 10.13140/RG.2.2.33867.41761.

Lu, C. (2022, February 24). *Putin faces global criticism over Ukraine war*. Foreign Policy. <https://foreignpolicy.com/2022/02/24/russia-ukraine-war-invasion-global-reaction/>

Miles, M. B., & Huberman, A. M. (1994). *Qualitative data analysis: An expanded sourcebook*. SAGE.

Mallow, M. S. (2019, November 29). *Kill the veto power in UN*. The Star. <https://www.thestar.com.my/opinion/letters/2017/12/23/kill-the-veto-power-in-un/>

Nichols, M., & Pamuk, H. (2022, February 26). *Russia vetoes U.N. Security action on Ukraine as China abstains*. Reuters. <https://www.reuters.com/world/russia-vetoes-un-security-action-ukraine-china-abstains-2022-02-25/>

Operational Data Portal. (2022). *Situation Ukraine refugee situation*. Operational data Portal, United Nations High Commissioner for Refugees. <https://data.unhcr.org/en/situations/ukraine>

Panetta, G. (2022, February 24). *World leaders condemn Russia's 'path of destruction' in pursuing an 'unprovoked' and 'unjustified' invasion of Ukraine*. Business Insider. <https://www.businessinsider.com/russian-invasion-of-ukraine-world-leaders-reactions-2022-2>

Pita, A., & Costa, R. S. (2022, March 3). The Ukrainian exodus could be Europe's biggest refugee crisis since World War II. EL PAÍS English Edition. Retrieved from <https://english.elpais.com/international/2022-03-03/ukrainian-exodus-could-be-europes-biggest-refugee-crisis-since-world-war-ii.html>

Security Council Report. (2020, December 16). The veto: UN Security Council working methods. Retrieved from <https://www.securitycouncilreport.org/un-security-council-working-methods/the-veto.php>

SOFREP. (2022, March 1). *The veto explained: Russia blocks UN resolution on Ukraine invasion*. <https://sofrep.com/news/the-veto-explained-russia-blocks-un-resolution-on-ukraine-invasion/>

Sullivan, T., & Isachenkov, V. (2014, March 2). Russian troops take over Ukraine's Crimea region. Yahoo News - Latest News & Headlines. Retrieved from <https://news.yahoo.com/russian-troops-over-ukraines-crimea-region-200052097.html>

The UN Security Council. (n.d.). United Nations Foundation. <https://web.archive.org/web/20120620101548/www.unfoundation.org/wh>

at-we-do/issues/united-nations/the-un-security-council.html

Torres, R. D. (2022, November 11). 'The world is bigger than five'. Retrieved from <https://www.manilatimes.net/2022/11/11/opinion/columns/the-world-is-bigger-than-five/1865878>

Ukraine war: Putin being misled by fearful advisers, US says. (2022, March 31). BBC News. <https://www.bbc.com/news/world-europe-60936117>

United Nations Peacekeeping. (n.d.). *Role of the Security Council*. <https://peacekeeping.un.org/en/role-of-security-council>

United Nations Security Council. (n.d.). *United Nations Security Council*. Welcome to the United Nations. <https://www.un.org/securitycouncil/>

United Nations. (2022, February 23). *Russian Federation announces 'Special military operation' in Ukraine as Security Council meets in eleventh-hour effort to avoid full-scale conflict*. <https://press.un.org/en/2022/sc14803.doc.htm>

Winter, E. (2022, February 23). *Yes, Russia violated international law by recognizing independence of Ukraine territories and sending in troops*. abc10.com. <https://www.abc10.com/article/news/verify/global-conflicts/russia-vladimir-putin-violated-international-law-recognizing-independence-ukraine-territories/536-d6da9749-0d0e-43ba-bacb-e9ea0de2368b>

Yee, T. Z. (2022, May 14). United Nations' hands tied due to veto power. Retrieved from <https://www.nst.com.my/opinion/columnists/2022/05/795998/united-nations-hands-tied-due-veto-power>

Yeung, H., Renton, A., Picheta, R., Upright, E., Sangal, H., Vogt, H., Macaya, M., & Chowdhury, M. (2022). Russian military vehicles enter Ukraine from Crimea. CNN. <https://edition.cnn.com/europe/live-news/ukraine-russia-news>

THE ROHINGYA CRISIS: THE LIMITS OF THE ASEAN WAY

¹Shazwanis Shukri

¹School of International Studies, Universiti Utara Malaysia

¹Asian Institute of International Affairs and Diplomacy (AIAD)

¹Corresponding author's email: shazwanis@uum.edu.my

Abstract: Millions of Rohingya have been compelled to escape their homes because of racial and religious discrimination of the protracted humanitarian catastrophe in Rakhine state. Most of them travelled by land or boat through the Andaman Sea and Malacca Straits to neighbouring nations like Malaysia, Bangladesh, and Thailand. Since the huge migration in 2017, almost 1.2 million Rohingya have made Cox's Bazar their home. The Rohingya issue has impacted not only Myanmar but also other ASEAN members as it is the largest refugee influx in history. Consequently, ASEAN has enacted a security framework to addressing the Rohingya issue. This article first demonstrates ASEAN's mechanism and responses to the surge of Rohingya refugees. Second, the article examines the obstacles to ASEAN's initiatives in resolving the prolong crisis. The information in this article is derived from document analysis of policy papers, scholarly articles, and press release. The results indicate that, while ASEAN's initiatives are underway, ASEAN Way has become a hindrance in resolving the Rohingya massacre.

Keywords: ASEAN Way, refugees, Rakhine, Rohingya

INTRODUCTION

Nearly 1 million Rohingya refugees have fled from Rakhine state since the devastating humanitarian crisis began in the late 1970s, mostly to Bangladesh and other nearby nations like Malaysia. The majority travelled by land into Bangladesh's Cox's Bazar area, and some sailed through the Andaman Sea and the Malacca Straits to Indonesia, Malaysia, and Thailand (Darshini, 2018). The Rohingya crisis, which is the worst refugee tragedy in history, has had an effect on Myanmar as well as neighbouring nations. The Rohingya's exodus to neighbouring countries has changed the perception of this issue from an internal conflict to one that affects the entire ASEAN members which requires prompt attention.

However, the lack of a political and legal framework to address refugee-related concerns has become a problem for the ASEAN members, especially considering the ASEAN charter's fundamental tenet of not interfering in the internal affairs of its member states. Following the 2015 Rohingya crisis, regional tensions rose, leading several Muslim-majority nations like Malaysia and Indonesia to start advocating more strongly for the safety of the Rohingya ethnic.

This article analyses ASEAN's approaches to addressing the Rohingya issue. Subsequently, this article scrutinizes the challenges that ASEAN faces in managing the refugee crisis, in particular the limits of ASEAN Way.

METHODOLOGY

The qualitative research method is used for data collection and analysis in this study. The primary data collection methods in this study were textual analysis and interviews. The data was derived from document collection and then analysed. These include official ASEAN policies and legislative documents, press releases, scholarly articles, and newspaper articles. Additionally, an in-depth interview was conducted with respondents representing the stakeholders dealing with refugee crisis policies and law enforcement. These include the Malaysian Ministry of Foreign Affairs, the Malaysian Maritime Enforcement Agency (MMEA), the National Security Council (NSC), and the Malaysian Marine Department.

DISCUSSION

Most ASEAN members are not signatories to the 1951 Refugee Convention; therefore, the regional association lacks the legal and political foundation necessary to address the Rohingya crisis. Only Cambodia and the Philippines have signed the convention, meanwhile the other ASEAN members have no legal obligation to provide humanitarian assistance for the refugees (Jeong, 2021). Nevertheless, ASEAN member states are obligated for non-refoulement principles.

Effective cooperation at the regional level must be strengthened to better address the crisis, which has now impacted the entire ASEAN and caused regional repercussions. While adhering to the fundamental principles of the ASEAN charter, "non-interference in the internal affairs of ASEAN member states," they have consistently expressed their pledge to resolving the Rohingya crisis. The annual ministerial meeting was held for ASEAN Foreign Ministers to meet and deliberate on issues focusing on regional conflicts, including the atrocities against the Rohingya ethnic (Jati, 2017). While ASEAN member states are consistently concerned about the issue, Myanmar was reluctant to discuss the Rohingya issue as part of ASEAN agenda (Thuzar, 2019). Myanmar's stance, however, gradually shifted to be more cooperative and accepting as international criticism and scrutiny increased.

The limits of ASEAN Way often referred to the fundamental ASEAN principles, the non-interference and consensus building in decision making. These principles have been the most significant limitations to ASEAN's ability to function effectively in the Rohingya crisis. The consensus principle requires Myanmar to agree to the contentious

issue, including in the Rohingya crisis. Consequently, the principle has become a constraint in reaching consensus among all ASEAN member states in decision-making process (Morada, 2021).

The ASEAN Way, which emphasizes respect to sovereignty and consensus principles has restricted the effective role of ASEAN in regional issues (Tobing, 2018). Former Malaysian Prime Minister Tun Abdullah Ahmad Badawi stated in 2006 that the non-interference principle must be revisited to accustomed to regional development (Yukawa, 2017). The ASEAN Way, undeniably, hampered the proactive roles of ASEAN in addressing the Rohingya crisis as an ASEAN priority.

CONCLUSION

The Rohingya crisis has lasted decades and remains unresolved, despite numerous regional and international efforts. The neighbouring nations, particularly Malaysia, Bangladesh, and Indonesia, have been severely impacted, forcing them to turn away refugees and enforce involuntary repatriation. ASEAN continuously shown its commitment to protecting the human rights of Rohingya refugees and provide significant support and humanitarian assistance.

With many criticisms and frustrations from the observers and human rights community over ASEAN's failure to respond to the humanitarian crisis while remaining silent on the atrocities, the organization's reputation and credibility are at stake. The core principles of ASEAN- non-interference in member states' internal affairs and consensus building are a setback to ASEAN's successful efforts in the crisis. The Rohingya refugee crisis puts ASEAN to the test in terms of its ability to take a proactive approach in regional conflicts. Despite some ASEAN member states' vocal opposition to the Myanmar government, the organization needs to take a more comprehensive approach to maintain its legitimacy.

Since the Rohingya crisis has turned into a regional and international concern, the responsibility for resolving the conflict must be shared by all ASEAN member states. The biggest challenge in this refugee crisis is a lack of regional commitment, which must be addressed to improve coordination and constructive engagement between ASEAN member states and Myanmar. The Rohingya crisis provides an opportunity for ASEAN to demonstrate its legitimacy and capability to resolving regional crises, while continuously protecting the Rohingya people's welfare and human rights.

REFERENCES

Adams, S. (2019). The Responsibility to Protect and the Fate of the Rohingya, *Global Responsibility to Protect*, 11(4), 435-450. <https://doi.org/10.1163/1875984X-01104005>

Albert E. & Maizland, L. (2020, January 23). The Rohingya Crisis. *Foreign Affairs*. <https://www.cfr.org/backgrounder/rohingya-crisis>

Barber, R., & Teitt, S. (2020). The Rohingya Crisis: Can ASEAN Salvage Its Credibility?. *Survival*, 62(5), 41-54. <https://doi.org/10.1080/00396338.2020.1819642>

Barber, R. & Teitt, S. (2021). Legitimacy and centrality under threat: The case for an ASEAN response to human rights violations against the Rohingya. *Asian Politics & Policy*, 13(4), 471-492. <https://doi.org/10.1111/aspp.12602>

Bashar, I. (2019). Rohingya Crisis and Western Myanmar's Evolving Threat Landscape. *Counter Terrorist Trends and Analyses*, 11(6), 14-18.

Ha, H. T., & Htut, Y. (2016). Rakhine Crisis Challenges ASEAN's Non-Interference Principle. *Perspective*, 70.

Hirubalan, V.P. (2019, September 26). The Rohingya problem: Is there an ASEAN solution in sight? *ASEAN Today*. <https://www.aseantoday.com/2019/09/the-rohingya-problem-is-there-an-asean-solution-in-sight/>

Jati, I. (2017). Comparative Study of the Roles of ASEAN and the Organization of Islamic Cooperation in Responding to the Rohingya Crisis. *The Indonesian Journal of Southeast Asian Studies*, 1(1), 17-32. <https://doi.org/10.22146/ikat.v1i1.27466>

Jeong, Y.J. (2021). Diverging Response to the Rohingya Refugee Crisis since 2017 Military Crackdown: Comparative Analysis of Bangladesh and Malaysia. *The Korean Journal of International Studies*, 19(1), 133-165. <https://doi.org/10.14731/kjis.2021.04.19.1.133>

Kaewjullakarn, S. & Kovudhikulrungsri, L. (2015). What Legal Measures Should ASEAN Apply to Help the Rohingya? *South East Asia Journal of Contemporary Business, Economics and Law*, 6(4), 6-14.

Khairi, A. (2016). The Dilemma of Rohingya Refugees "Boat People": The Role of Malaysia, its Neighbors and ASEAN. *International Journal of Academic Research in Business and Social Sciences*, 6 (12), 481-489. <https://doi.org/10.6007/IJARBS/v6-i12/2512>

Kumar, P. (2017, February 2). Malaysia to give jobs to Rohingya Muslim refugees. *The Peninsular Qatar*. <https://thepeninsulaqatar.com/article/02/02/2017/Malaysia-to-give-jobs-to-Rohingya-Muslim-refugees>

Mennecke, M., & Stensrud, E. E. (2021). The Failure of the International Community to Apply R2P and Atrocity Prevention in Myanmar, *Global Responsibility to Protect*, 13(2-3), 111-130. <https://doi.org/10.1163/1875-984X-13020013>

Missbach, A., & Stange, G. (2021). Muslim Solidarity and the Lack of Effective Protection for Rohingya Refugees in Southeast Asia. *Social Sciences*, 10(5), 166-182. <https://doi.org/10.3390/socsci10050166>

Morada, N. M. (2021). Asean and the Rakhine Crisis: Balancing Non-interference, Accountability, and Strategic Interests in Responding to Atrocities in Myanmar. *Global Responsibility to Protect*, 13(2), 131-157. <https://doi.org/10.1163/1875-984X-13020003>

Moretti, S. (2021). Between refugee protection and migration management: the quest for coordination between UNHCR and IOM in the Asia-Pacific region. *Third World Quarterly*, 42(1), 34-51. <https://doi.org/10.1080/01436597.2020.1780910>

Nasir, S. M. B. Y. @ M., Salleh, M. A., & Haque, M. M. (2019). Malaysian Policy towards Refugees and Asylum Seekers: A Case Study of Rohingya Refugees. *International Journal of Academic Research in Progressive Education and Development*, 8(3), pp.110–117. <https://doi.org/10.6007/IJARPED/v8-i3/6291>

Pudjibudojo, W. P. (2019). Criticizing the Handling of Rohingya Refugees in Southeast Asia by ASEAN and Its Members. *Politika: Jurnal Ilmu Politik*, 10(2), 229-238. <https://doi.org/10.14710/politika.10.2.2019.211-219>

Rahman, M. M., Mohajan, H. K., & Bose, T. K. (2021). Future of Rohingyas: Dignified Return to Myanmar or Restoring Their Rights or Both. *IKAT: The Indonesian Journal of Southeast Asian Studies*, 4(2), 145-170. <https://doi.org/10.22146/ikat.v4i2.57706>

Shivakoti, R. (2017). ASEAN's role in the Rohingya refugee crisis. *Forced Migration Review*, 56(3).

Strangio, S. (2020, July 10). The Shifting Politics of Rohingya Refugees in Malaysia. *The Diplomat*. <https://thediplomat.com/2020/07/the-shifting-politics-of-rohingya-refugees-in-malaysia/>

Sukhani, P. (2020). The Shifting Politics of Rohingya Refugees in Malaysia. *The Diplomat*. <https://thediplomat.com/2020/07/the-shifting-politics-of-rohingya-refugees-in-malaysia/>

Taufiq, H. A. (2019). Rohingya Refugee Crisis and the State of Insecurity in Bangladesh. In Imtiaz, A. (Ed.), *Genocide and Mass Violence: Politics of Singularity* (pp.145-180).

Thuzar, M. (2019). Repatriating the Rohingya: What Regional Cooperation Can and Cannot Do. *ISEAS Perspective*.

Tobing, D. H. (2018). The Limits and Possibilities of the ASEAN Way: The case of Rohingya as humanitarian issue in Southeast Asia. *KnE Social Sciences*, 148-174. <https://doi.org/10.18502/kss.v3i5.2331>

UNHCR Malaysia (2021, October). Figures at a Glance in Malaysia. *UNHCR Malaysia*. <https://www.unhcr.org/en-my/figures-at-a-glance-in-malaysia.html>

Yukawa, T. (2018). The ASEAN Way as a symbol: an analysis of discourses on the ASEAN Norms. *The Pacific Review*, 31(3), 298-314.
<https://doi.org/10.1080/09512748.2017.1371211>

ASEAN AND POST COVID RECOVERY: WHAT'S NEXT?

Siti Darwinda Mohamed Pero¹, Muhammad Ali Ridha Norman²

^{1,2} Universiti Utara Malaysia

¹Corresponding author's email: darwinda@uum.edu.my

Abstract: The nature of Covid-19 poses a multi-dimensional security threat, which threatens human security on multiple levels. It imperils the economic well-being of citizens, businesses, and governments; affects citizens' social and mental well-being; and proves to be a challenge to public health at large. This paper seeks to examine the degree to which the pandemic has challenged the political, economic, and social progress and development of the Association of Southeast Asian Nations (ASEAN)'s member countries. In particular, this paper examines the degree to which Covid-19 is a driver or an impediment to the overall regional community processes and development. It adopts a qualitative research methodology, mainly utilizing primary and secondary sources of document analysis. This paper finds that ASEAN was (and still is) an indispensable organization in the region, although its roles and functions in managing and providing responses and solutions to the prevailing issues and concerns related to Covid-19 were limited. Therefore, it proposes that ASEAN should focus on five areas to accelerate further the progress and development of region-building in Southeast Asia. These include advancing as manufacturing hubs; digitalization to hasten integration; facilitating reskilling and redeployment at scale; building high-value food industries; investing in primary and green infrastructure.

Keywords: ASEAN, Covid-19, leadership, state capacity, regional community-building

INTRODUCTION

The Association of Southeast Asian Nations (ASEAN) has been coined by many as the most successful regional organization, not only among developing countries (Kliem, 2021) but also in the whole world (Mahbubani & Tang, 2018). Its most significant contribution to the Southeast Asian region is maintaining peace and stability, thus providing favorable conditions and settings for economic growth and prosperity. With ASEAN's Growth Domestic Product (GDP) is now the fifth largest in the world, it has raised its people out of the abject property (Mahbubani & Tang, 2018).

The Covid-19 pandemic, which started in Wuhan in March 2019, negatively affected the Southeast Asian region just like it did in other parts of the world. Indeed, none of the ASEAN Member States (AMS) recorded zero cases of Covid-19 since it was first detected in 2019. Although the pandemic's severity differs from one-member state to another, it has posed a multidimensional security threat beyond public health. It imperils the economic well-being of citizens, businesses, and, ultimately,

governments. The unemployment record was and still is on the rise. Tourism, once the primary income for some ASM before the pandemic, suffered the most with the imposed travel restrictions around the globe. It is, therefore, not a surprising occurrence when the majority of AMS has lowered their growth prospects for 2020; Thailand (-13%), Malaysia (-13.5%), the Philippines (-13.6%), and Indonesia (-10.3%) (Daly, Das & Yeoh, 2020).

Much has been said about the drivers or factors that lead to establishment and strengthening regional community-building efforts' progress. This includes exogenous factors such as war, globalization, crisis, the influence of hegemon states within and/or outside a particular region such as the United States (US), and the presence and influence of other regional organizations (Allison 2015, p. 349; Murray 2015, p. 22). In addition, endogenous factors such as the desire 'to retain national sovereignty; differing commitments to regionalism; political orientation; economic development; business interests; personal leadership; or leadership deficits' (Murray 2015, p. 22) can also provide an impetus for regional integration and the evolution of regional organizations around the globe. Research examining the extent to which a pandemic such as Covid-19 has influenced the overall progress of ASEAN's community-building efforts is lacking thus far; hence, it warrants further study.

Drawing on the above scenario, this paper argues that despite its limitations and shortcomings, ASEAN was (and still is) an indispensable organization in the region, especially when the matters related to managing the Covid-19 pandemic are concerned. The objectives of the paper are twofold. First, it seeks to examine the degree to which the Covid-19 is a driver or an impediment to the overall regional community-building efforts. Second, it identifies potential areas of concern and focuses for ASEAN leaders to move ASEAN forward post-pandemic. In so doing, it first discusses ASEAN's responses at the national and regional levels in managing the unprecedented Covid-19. It then proposes future areas of concern for ASEAN to look into. Finally, it concludes all the issues discussed in the paper.

METHODOLOGY

This paper applies qualitative analysis in processing the data. The data retrieved mostly from internet sources, which include the official public document and online media on the information related but not limited to ASEAN and Covid-19. The speech, official statements and press release made by the ASEAN's and its member states' highest-level policymakers, namely, prime ministers and relevant and related foreign ministers were coded and analysis. The analysis of the data focuses on text analysis to draw the interpretation as presented in the result and discussion sections.

RESULT

One of our findings suggests that all ASEAN member states (AMS) responded to both national and regional levels in managing and curbing the outbreak of Covid-19.

Table 1: ASEAN Member States’ National and Regional Responses

| Levels | Strategies/Actions | |
|------------------------------------|--|---|
| <i>National Responses</i> | The majority of ASEAN member states implement these policies (but are not limited to) in minimizing the negative effect of the pandemic: <ul style="list-style-type: none"> • Border closure • Movement restriction • Vaccination program | |
| <i>ASEAN Coordinated Responses</i> | <u><i>Strategic Level</i></u> | <u><i>Operational and Implementation Level</i></u> |
| | A more policy convergence and united responses by ASEAN leaders: <ul style="list-style-type: none"> • Continuing information sharing, research and studies in real-time • Coordination cross-border health response • Scaling-up the use of digital technology and artificial intelligence for efficient information exchange s • Institutionalisation response mechanisms including preparedness, surveillance, prevention, detection of ASEAN member states with external partners | The launching of new initiatives and action by the ASEAN health sector to share technical expertise, risk reports, data analysis to maintain international regulations and standards: <ul style="list-style-type: none"> • ASEAN Emergency Operation Center Network for Public Health Emergencies (ASEAN PHEOC Network) • ASEAN BioDiaspora Regional Virtual Centre (ABVC) for big data analytics and visualization • ASEAN Risk Assessment and Risk Communication Centre (ARARC) • Regional Public Health Laboratories Network (RPHL) • ASEAN Plus Three Field Epidemiology Training Network (ASEAN+3 FETN) |

Sources: Authors own compilation

Drawing on our document analysis data collection, we also found that there are five areas in which ASEAN Member States (AMS) and leaders should focus and venture to ensure the survivability and growth of the states.

Table 2: Future Research Agenda

| AREAS | DESCRIPTION |
|---|--|
| <u>DIGITALISATION TO HASTEN INTEGRATION</u> | <ul style="list-style-type: none"> • A projection of a threefold ASEAN’s digital economy from USD100 billion in 2020 to USD300 billion by 2025 • Lockdowns mechanism due to the Covid-19 have sparked new online habits, which in turn has propelled e-commerce |
| <u>INVESTING IN BASIC AND GREEN INFRASTRUCTURE</u> | <ul style="list-style-type: none"> • Investment in green infrastructure to spur significant near-term job creation • To enhance financial incentives that encourage consumer and business investment • To coordinate complicated and interdependent infrastructure rollout. |
| <u>ADVANCING AS MANUFACTURING HUBS</u> | <ul style="list-style-type: none"> • To reduce the reliance on the Chinese supply chain ecosystem • A regional manufacturing hub for MNCs to integrate into ASEAN’s regional supply chain ecosystem. |
| <u>BUILDING HIGH-VALUE FOOD INDUSTRIES</u> | <ul style="list-style-type: none"> • Strengthening and expanding the agriculture sector through higher productivity • Food security and food sovereignty |
| <u>FACILITATING RESKILLING AND REDEPLOYMENT AT SCALE</u> | <ul style="list-style-type: none"> • The need on the more skilled workers in digital fields • Increased demand for healthcare and related services • More funding allocation to improve digital capacity among workers. • Effective training skills for ASEAN workers to attract MNCs to the region. |

Source: Daly, Das & Yeoh (2020)

DISCUSSION

There are several significant points from the aforementioned results that demand further discussion. First, we found that indeed ASEAN is as an indispensable organisation in Southeast Asia. ASEAN is a driver of regional community-building efforts in Southeast Asia, especially in muddling through the challenges and severity that the pandemic has brought up. This was demonstrated through the introduction, implementation, and establishment of various measures, initiatives, and institutions in providing not only appropriate, but also effective responses for all ASEAN member states during the outbreak, at its peak, and how to go about and move the nations out from the severity of the Covid-19. A Covid-19 ASEAN Response Fund, which aims to boost the emergency stockpiles for the future outbreak, for instance, shows ASEAN member states' (AMS) commitment and political will to work closer in curbing the pandemic. In addition, cognisant of their respective state capacity, ASEAN leaders are willing to take charge and demonstrate their leadership role in specific areas or initiatives that they could positively contribute to the other ASM. Malaysia is currently leading a few main initiatives, namely, ASEAN Public Health Emergency Operations Centre (PHEOC) and ASEAN Risk Assessment and Risk Communication Centre (ARARC). Malaysia, together with Thailand, also led and coordinated ASEAN Plus Three Field Epidemiology Training Network (ASEAN+3 FETN) – an initiative that “help prevent and control outbreaks, emerging diseases and other public health events in the country and the region” (<http://www.aseanplus3fetcn.net/howeare.php#background>).

Moreover, ASEAN, as the key regional organization in the region, could not just ignore its responsibilities and maximize its roles and functions in maintaining peace and stability since closer regional integration and collaboration spurs growth. Also, with the absence of global leadership from China and the United States during the pandemic, ASEAN's proactive role has never been so much requested than now when its member states were (and still are) struggling with the severity of the Covid-19 effects.

We also found that while the above-mentioned future research agenda seems promising, there are several contentious issues both at national and regional levels that need closer attention before ASEAN Member States can channel their tangible and intangible resources toward the realization of such an agenda. This includes issues such as the capacity-expectation gap, lack of trust among Southeast Asians in ASEAN itself, and lack of political will on the part of political leaders to continuously work within ASEAN spirit amidst various prevailing challenges. ASEAN's least-developed countries such as Cambodia and Laos, for instance, need to channel their efforts towards the eradication of poverty and to make sure that their people have enough food to put on the table days and nights. Therefore, agendas for green technology and digitalization, for example, clearly are not their main priority – a shred of evidence on the narrative of the capacity-expectation gap among ASEAN member states for many decades and years to come. Also, not all, especially ASEAN's youth share the aspiration

of the earlier generation on the importance of having a regional organization, that is, ASEAN, in the maintenance of peace and stability and continuous economic growth in the region (Galimberti, 2022). Perhaps this is because the discourse on the benefits of working in a regional framework does not widely communicate at national and ASEAN levels. Hence, the lack of trust. In addition, political will on the part of the ASEAN leaders is not always at its peak, depending on the severity and urgency of the existing issues. Data from the document analysis found that although Singapore has been lauded as highly effective in its management of Covid-19 (Thong, Ooi, Araral & Wu, 2021); not many initiatives and programs concerning Covid-19 at the ASEAN level, are led and coordinated by the city-state. This, to some extent, shows Singapore's lack of political will, albeit the presence of state capacity and resources to assist other ASEAN member states during the pandemic.

CONCLUSION

It can be argued that the Covid-19 pandemic has forced ASEAN member states to work closely among themselves for the benefit of their people. The pandemic, therefore, has been one of the drivers for regional community-building efforts in the region. ASEAN has made concerted efforts both at strategic and implementation levels to facilitate communication among its member states to handle and manage the pandemic, albeit with some limitations and challenges. Furthermore, the pandemic has provided a trajectory for ASEAN's future undertaking, particularly in ensuring continued economic growth, prosperity, peace, and stability in Southeast Asia. It is also interesting to note Malaysia's active role at the ASEAN level, leading and coordinating a few significant initiatives to curb the outbreak and managing the issues and concerns related to Covid-19 in the region, which warrants further research.

REFERENCES

- Allison, L. (2015). 'Exogenous factors: are other regions drivers of integration', in L Brennan & P Murray, *Drivers of integration and regionalism in Europe and Asia: comparative perspectives*, Taylor and Francis, Hoboken, pp. 347-365.
- Asmelash, L. (2019, August 14). *Social media use may harm teens' mental health by disrupting positive activities, study says*. CNN. <https://www.cnn.com/2019/08/13/health/social-media-mental-health-trnd/index.html>.
- Daly, E., Das, K., and Yeoh, R. (2020). 'Reimagining emerging ASEAN in the wake of COVID-19 A focus on five key levers could both accelerate the region's recovery and make the gains more enduring', McKinsey&Company, August, <https://asean.org/wp-content/uploads/2021/08/Reimagining-emerging-ASEAN-in-the-wake-of-COVID-19-vF.pdf>

- Galimberti, S. (2022). ASEAN must walk the talk on getting youth involved in decision making. *New Straits Times*, 22 August, <https://www.nst.com.my/opinion/columnists/2022/08/824304/asean-must-walk-talk-getting-youth-involved-decision-making>
- Mahbubani, K. & Tang, K. (2018). ASEAN: An Unexpected Success Story, *The Cairo Review of Global Affairs*. <https://www.thecairoreview.com/essays/asean-an-unexpected-success-story/>
- Murray, P. (2015). 'Drivers of regional integration: some comparative considerations' in, L Brennan & P Murray, *Drivers of integration and regionalism in Europe and Asia: Comparative Perspectives*, Taylor and Francis, Hoboken, pp. 17-33.
- Thong, G., Ooi, S. P., Araral, E., and Wu, A. M. (2021). 'How Singapore is handling the pandemic: the key trade-offs for managing Covid-19', *Asia & The Pacific Policy Society*, 23 June. <https://www.policyforum.net/how-singapore-is-handling-the-pandemic/>
- <http://www.aseanplus3fetn.net/whoweare.php#background>

STATUS SULU: SATU TINJAUAN DARI SUDUT UNDANG-UNDANG ANTARABANGSA

Nik Nor Suhaida Ali
Pusat Pengajian Antarabangsa
Universiti Utara Malaysia
Corresponding author's email: niksuhaida@uum.edu.my

Abstrak: Kajian ini mengupas pandangan Undang-Undang Antarabangsa, yang mana timbul persoalan, apakah status Sulu dalam konteks Undang-Undang Antarabangsa? dan adakah mereka layak membawa kes ini ke pengadilan antarabangsa? Isu ini timbul apabila Mahkamah Perancis, melalui penimbang tara, Dr. Gonzales Stampa mengeluarkan perintah 'Final Award' dan mengarahkan Malaysia membayar wang pampasan berjumlah RM 62.59 bilion kepada waris kesultanan Sulu. Dengan ini, perbincangan kertas kerja ini lebih menjurus kepada status personaliti perundangan serta kapasiti perundangan dalam Undang-Undang Antarabangsa. Hasil penelitian kertas kerja ini mendapati bahawa Sulu adalah aktor bukan negara dan mempunyai kapasiti terhad dalam Undang-Undang Antarabangsa. Ini kerana kedaulatan Sulu sebagai kerajaan yang sah telah terlucut sejak tahun 1912. Oleh itu, pengadilan antarabangsa, tidak kira Timbang Tara ataupun Mahkamah Keadilan Antarabangsa haruslah diwakili oleh kerajaan yang sah dari sudut Undang-Undang Antarabangsa, iaitu kerajaan Filipina. Justeru, tindakan yang dilakukan oleh waris kesultanan Sulu ini telah mencabuli kuasa kerajaan Filipina. Sebagai sebuah kerajaan yang sah, Malaysia seharusnya menyelesaikan isu Sabah ini di peringkat antarabangsa, samada membawa pertikaian ini kepada badan 'inquiry atau fact finding' atau Mahkamah Keadilan Antarabangsa.

Katakunci: Timbang Tara, pertikaian, Sulu, Sabah, personaliti undang-undang, Undang-Undang Antarabangsa

Pengenalan

Kajian ini mengupas tentang pandangan Undang-Undang Antarabangsa dalam tuntutan pampasan Sulu terhadap Malaysia dalam Mahkamah Perancis pada 28 Februari 2022. Isu ini timbul apabila Malaysia menghentikan bayaran wang penyerahan ('cession money') rentetan daripada serangan Sulu ke atas Lahad Datu pada tahun 2013 (Tee, 2022). Timbang Tara ini dijalankan yang pada awalnya dijalankan di Mahkamah Tinggi Sepanyol dan kemudiannya dipindahkan di Mahkamah Perancis. Keputusan 'Final Award' ini diputuskan oleh penimbang tara dari Sepanyol, Dr Gonzalo Stampa yang menuntut Malaysia membayar pampasan sejumlah RM 62.59 bilion (US 14.92 billion) (Fuad, 2022). Namun begitu, Malaysia tidak mengiktiraf keputusan ini dan telah menfailkan pembatalan terhadap tuntutan tersebut. Timbul persoalan, dalam konteks undang-undang antarabangsa, adakah tuntutan Sulu ini sah? Apakah Sulu dibenarkan untuk membuat tuntutan di mahkamah mengikut undang-undang antarabangsa?

Dengan ini, kertas kerja ini memfokuskan kepada isu tuntutan Sulu dalam Konteks Undang-Undang Antarabangsa berdasarkan status Sulu sebagai 'international legal

person' dan kapasitasnya untuk membuat tuntutan antarabangsa dalam mahkamah timbang tara.

Perbincangan

Kertas kerja di mulakan dengan menerangkan latarbelakang sejarah tuntutan Sulu ke atas Sabah. Dan kemudiannya perbincangan akan menjuruskan kepada penentuan status Sulu dalam konteks personaliti perundangan dalam undang-undang antarabangsa.

Latarbelakang Sejarah Isu Tuntutan Sulu

Isu tuntutan Sulu ini bermula dengan penyerahan kawasan timur Sabah kepada Baron Gustav von Overbeck dan Alfred Dent pada tahun 1878. Dalam perjanjian penyerahan ini dinyatakan bahawa Sulu menyerahkan kawasan bermula daripada Pandasan sehinggalah Sungai Sibuku, dianggarkan keluasan kawasan yang diserahkan adalah 30 000 batu persegi. Malah dalam perjanjian tambahan penyerahan ini, Baron Gustav von Overbeck dilantik sebagai ‘pemerintah tertinggi dan bebas (Mead, 2016). Namun, kawasan yang diserahkan masih dalam pertikaian dengan Brunei yang mendakwa kawasan tersebut masih lagi milik mereka. Malah, sebelum Overbeck dan Dent mendapatkan kawasan tersebut daripada Sulu, terlebih dahulu mereka mendapat penyerahan kawasan tersebut daripada Sultan Brunei pada tahun 1877. Dalam perjanjian penyerahan dengan Brunei, Brunei telah menyerahkan kawasan yang bermula dari Kimanis sehinggalah Sungai Sibuku, dan ini termasuk Gaya dan Sandakan. Dalam perjanjian tambahan, Sultan Brunei telah melantik Overbeck sebagai Maharaja Sabah dan Raja Gaya dan Sandakan (Hughes-Hallett, 1940). Pada tahun 1881, Overbeck dan Dent menubuhkan Syarikat Borneo Utara dan dibenarkan untuk memerintah Sabah melalui Piagam Diraja Britian. Pemerintahan Syarikat Borneo Utara ke atas Sabah bermula dari tahun 1878 hingga 1946. Pada tahun 1963, Sabah telah menyertai Malaysia Bersama-sama dengan Sarawak.

Isu ini timbul apabila Presiden Filipina, Ferdinan Marcos telah menandatangani Rang Undang-Undang Senat 954 (*Senat Bill*) pada tahun 1968 yang menyatakan bahawa ‘Filipina memperolehi kekuasaan dan kedaulatan Sabah’ dan hal ini telah meremehkan kedaulatan Malaysia ke atas Sabah, yang mana Malaysia adalah negara pengganti (*successor state*) daripada kerajaan Britain (Tregonning, 1970). Akhirnya, pada tahun 1977, Filipina memutuskan untuk tidak meneruskan tuntutan mereka (Rusli & Mazlan, 2013). Walaubagai manapun, terdapat beberapa percubaan Filipina untuk menuntut Sabah sehinggalah timbul isu tuntutan pampasan Sulu terhadap Malaysia dalam timbang tara Mahkamah Perancis pada 28 Februari 2022 yang dikeluarkan oleh Dr Gonzalez Stampa (Idris, 2022). Isu ini heboh diperkatakan ini apabila timbul laporan bahawa asset Petronas di luar negara berisiko untuk disita berikutan penolakan Malaysia terhadap keputusan timbang tara tersebut.

Status Sulu dalam Konteks Undang-Undang Antarabangsa

Persoalan, apakah status Sulu dalam konteks Undang-Undang Antarabangsa? Undang-undang antarabangsa adalah satu sistem undang-undang yang mana mengatur hubungan antara negara berdaulat serta hak dan tanggungjawab antara satu sama lain. Hak dan tanggungjawab ini juga ditanggung oleh institusi-institusi antarabangsa dan individu (Henriksen, 2017). Namun begitu, negara, institusi antarabangsa dan individu perlu diiktiraf sebagai subjek kepada undang-undang antarabangsa yang dikenali sebagai '*legal subjectivity*' atau '*legal personality*'.

Personaliti Perundangan (Legal Personality)

Individu perundangan adalah mereka yang mempunyai kapasiti diberi hak, kuasa dan tanggungjawab oleh sistem perundangan antarabangsa. Namun begitu, ianya adalah bersifat normatif yang mana, tidak semua individu perundangan ini mempunyai kapasiti untuk diberikan hak, kuasa dan tanggungjawab (Henriksen, 2017). Ini dinyatakan dengan jelas dalam kes *Reparation for Injuries Suffered in the Service of the United Nation, Advisory Opinion* di Mahkamah Keadilan Antarabangsa, tahun 1949 bahawa '*legal subject are not necessary identical in their nature or in the extent of their rights and their nature depends on the needs of the community*'.

Kapasiti Personaliti Perundangan

Kapasiti individu perundangan dalam undang-undang antarabangsa terdiri daripada keupayaan untuk berhadapan dengan mahkamah antarabangsa atau mahkamah dalam negara untuk menguatkuasakan hak di bawah undang-undang antarabangsa. Dan hak mutlak ini diberikan kepada negara berdaulat yang diiktiraf oleh undang-undang antarabangsa. Begitu juga, hak mutlak untuk membuat perjanjian antara negara dan institusi antara kerajaan, serta mempunyai kekebalan dan keistimewaan. Personaliti antarabangsa juga perlu patuh kepada kepatuhan dan tanggungjawab antarabangsa sepertimana yang telah diperuntukkan dalam undang-undang antarabangsa yang dipersetujui oleh negara (Hernandez, 2019). Namun, aktor-aktor antarabangsa lain seperti individu, organisasi bukan negara dan syarikat multinasional diperuntukkan kapasiti terhad.

Sulu sebagai Personaliti Antarabangsa

Berbalik kepada sejarah Sulu, Kesultanan Sulu wujud pada abad ke-tujuh belas. Namun, Sulu tumpas di tangan Sepanyol pada tahun 1851 dan menjadi sebahagian daripada wilayah Sepanyol. Ini menjadikan Sepanyol menuntut semua kawasan yang dimiliki oleh Sulu, termasuklah Sabah. Namun begitu, British tidak mengiktiraf pendudukan Sepanyol ke atas Sulu antara tahun 1851 dan 1881. Pengiktirafan pendudukan Sepanyol ke atas Sulu hanyalah diberikan pada tahun 1885 dalam Konvensyen Madrid antara Sepanyol, Jerman dan Britain. Sepanyol telah menolak semua tuntutan mereka ke atas wilayah Sulu di Borneo Utara (Tregonning, 1970). Dengan pengiktirafan yang diberikan oleh Britain dan Jerman ke atas pendudukan Sepanyol di Sulu, maka Kesultanan Sulu bukan lagi sebuah kerajaan yang sah di sisi

undang-undang antarabangsa sejak tahun 1885. Malah, tiada lagi tuntutan yang dibuat oleh Amerika Syarikat yang mengambil alih pemerintahan Filipina sejak tahun 1898. Malah, dua perjanjian garis sempadan telah dibuat antara Amerika Syarikat dan Borneo Utara pada tahun 1902 dan 1930 dan kini menjadi garis sempadan antarabangsa antara Malaysia dan Filipina. Malah, dalam Perlembagaan Republik Filipina 1947 telah meletakkan kepulauan Sulu dalam peta Filipina. Menurut Tregoning (1970), kuasa mutlak Kesultanan Sulu telah dihapuskan oleh Sepanyol pada 22 Mac 1912, dan sultan diberikan pencen dan dilantik sebagai ketua kaum Suluk. Beliau juga menegaskan bahawa, walaupun keturunan kesultanan Sulu masih wujud, keturunannya bukanlah entiti Kerajaan Filipina. Justeru, kewujudan Sulu pada hari ini, bukanlah entiti sebuah kerajaan atau negara merdeka, berdaulat dan sah, tetapi hanyalah satu entiti aktor bukan negara. Entiti aktor bukan negara hanyalah mempunyai kapasiti terhad, di mana mereka tertaluk kepada semua atau sebahagian daripada kewajipan dan kepatuhan antarabangsa.

Kesimpulan

Kesimpulannya, Sulu bukanlah personaliti perundangan yang mempunyai kuasa mutlak untuk memiliki semua kapasiti personaliti antarabangsa dalam undang-undang antarabangsa. Hak ini telah pun terputus sejak tahun 1912 apabila Sepanyol menghapuskan kuasa Sultan di kepulauan Sulu. Dan perlu diingatkan bahawa tuntutan pampasan daripada keturunan Sulu ini adalah tuntutan individu, bukanlah tuntutan daripada kerajaan yang sah, iaitu Filipina. Secara umumnya, individu merupakan aktor bukan negara, dan tuntutan ini seharusnya diwakili oleh negara penuntut, tidak kira tuntutan dan pendakwaan dibuat dalam mahkamah dalam negara di negara luar atau mahkamah antarabangsa. Dalam hal ini, mahkamah timbang tara Sepanyol dan Perancis haruslah mengenalpasti status pendakwa dalam konteks undang-undang antarabangsa. Ini kerana, pertelingkahan ini melibatkan pertelingkahan antarabangsa yang melibatkan kedaulatan wilayah yang seharusnya dibicarakan dalam konteks undang-undang antarabangsa.

Dengan ini Malaysia boleh membuat pendakwaan pertikaian bidangkuasa terhadap mahkamah Sepanyol dan Perancis yang membenarkan pendakwa bukan aktor negara membuat pendakwaan. Dalam konteks Undang-Undang Antarabangsa, aktor bukan negara tidak boleh membuat pendakwaan tanpa diwakili oleh kerajaan yang sah, iaitu kerajaan Filipina.

Malah, Malaysia juga boleh membawa mempertikaikan keputusan timbang tara, ini kerana isu Sabah bukanlah melibatkan isu komersil seperti yang didakwa oleh Trixie Cruz Angeles, jurucakap Presiden Ferdinand Marcos Jr. (Strangio, 2022). Isu ini adalah melibatkan pertikaian wilayah yang mana ini adalah pertikaian antarabangsa. Perlu ditegaskan bahawa, Malaysia haruslah mempertahankan wilayah kedaulatan Sabah dan perlu diselesaikan dengan apa cara mekanisma pasifis, samaada melalui *'inquiry atau*

fact finding’ atau Mahkamah Keadilan Antarabangsa berkenaan status Perjanjian 1878 dan juga status pembayaran wang penyerahan (*cession money*).

Rujukan

- Fuad, F. (2022). Malaysia tak iktiraf tuntutan timbang tara waris Sultan Sulu. *Barita Harian*. Retrieved from <https://www.bharian.com.my/berita/nasional/2022/03/929440/malaysia-tak-iktiraf-tuntutan-timbang-tara-waris-sultan-sulu>
- Henriksen, A. (2017). *International Law*. Oxford University Press.
- Hernandez, G. (2019). *International Law*. Oxford University Press.
- Hughes-Hallett, H. R. (1940). A Sketch of the History of Brunei. *Journal of the Malayan Branch Royal Asiatic Society*, 18(2), 23–42.
- Idris, R. (2022). Arahan bayar pampasan RM62.59 bilion waris Sultan Sulu tidak sah. *Berita Harian*. Retrieved from <https://www.bharian.com.my/berita/nasional/2022/03/932268/arahan-bayar-pampasan-rm6259-bilion-waris-sultan-sulu-tidak-sah>
- Mead, Y. M. (2016). The Anglo-Dutch Borneo Dispute 1875–1892. *Dutch Crossing*, 25(1), 24–38.
- Rusli, M. H. M., & Mazlan, M. A. (2013). Sultan of Sulu’s Sabah Claim: A Case of ‘Long-Lost’ Sovereignty? *RSIS Commentary*. Retrieved from <https://www.rsis.edu.sg/rsis-publication/rsis/1933-sultan-of-sulus-sabah-claim/#.YyQ1yHZByUk>
- Strangio, S. (2022, August). Philippines Remains Aloof From French Court’s Sulu Ruling – The Diplomat. *The Diplomat*. Retrieved from <https://thediplomat.com/2022/08/philippines-remains-alooof-from-french-courts-sulu-ruling/>
- Tee, K. (2022, July 19). UiTM don: Sulu heirs shopped for ‘arbitration-friendly’ courts to ‘ambush’ Malaysia with claims | Malay Mail. *Malaymail*. Retrieved from <https://www.malaymail.com/news/malaysia/2022/07/19/uitm-don-sulu-heirs-shopped-for-arbitration-friendly-courts-to-ambush-malaysia-with-claims/18287>
- Tregonning, H. G. (1970). The Philippine Claim to Sabah. *Journal of the Malayan Branch of the Royal Asiatic Society*, 43(1), 161–170.

CHALLENGES TO INTERNALLY DISPLACED PERSONS (IDPS): CLIMATE CHANGES AS A CHALLENGE TO INTERNALLY DISPLACED PERSONS (IDPS) IN CAMPS IN IRAQ

Mustafa Abdulwahab Al-hadithe¹, Associate Prof. Dr. Bakri Bin Mat²,
Dr. Muhammad Ali Ridha Bin Norman³

¹*Department of International Relations and Diplomacy, College of Law and
International Relations, Cihan University - Erbil*

² ³*School of International Studies, College of Law, Government and International
Studies Universiti Utara, Malaysia*

Corresponding author's email: al_hadithe_87@yahoo.com

Abstract: Since 2003 and after the invasion and occupation of Iraq by the United States, Iraq has witnessed repeated waves of internal displacement, which resulted in large numbers of internally displaced persons (IDPs), who are suffering from the bitterness of the experience of internal displacement in addition to living in a prolonged internal displacement. This paper presents one of the challenges faced by IDPs in camps in Iraq, represented by the challenge of climate change. The qualitative method was used based on previous reports and was analyzed to determine the challenges of climate change towards IDPs in the camps. The paper concluded that climate change posed a challenge to IDPs, as it resulted in direct threats to the lives, health and well-being of IDPs, which led to an increase in their suffering during their internal displacement.

Keywords: Internally Displaced Persons (IDPs) in Iraq, Challenges to IDPs in Iraq, Climate Change, Environmental Fragility in Iraq, IDPs Camps Condition in Iraq.

INTRODUCTION

Iraq has a long history of internal displacement (Temgoua et al., 2020) and one of the countries most affected by it due to what Iraq has been exposed to over the past two decades, represented by the United States invading and occupying it, the violence, and Islamic State of Iraq and Syria (ISIS) domination over large areas in 2014 (The Internal Displacement Monitoring Centre [IDMC], 2020). Hence, successive waves of the flow of internally displaced persons (IDPs) formed, which expanded to include all regions and cities of Iraq, with a continuous increase in the number of IDPs over the previous period. However, no measures have been found or taken to prevent the recurrence of internal displacement movements or IDPs returning to their homes and cities of origin and ending the phenomenon of internal displacement in Iraq.

In 2003, after George W. Bush's disastrous decision toward Iraq, represented by its invasion and then occupation of Iraq (Kamrava, 2018), the waves of IDPs in Iraq started, coinciding with an increase in IDPs number as a result of the United States occupation of Iraq. In 2006, the IDPs number began to rise significantly due to the sectarian conflict that emerged because of the Al-Imam Al-Askari Mosque bombing in Samarra, where vast numbers of IDPs formed as a result of the beginning of the sectarian conflict at that time (Lischer, 2008). Day by day, the number of IDPs began to rise until it reached 1.5 million between 2006-2007 (Pagonis, 2008), and then the IDPS number continued to rise as it reached 2.8 IDPs in 2008 (The International Organization for Migration [IOM], 2013). Nevertheless, the movement of Iraqis and their transformation into IDPs did not stop, even after several years had passed and the sectarian conflict had decreased. On the contrary, Iraq witnessed a massive increase in the IDPs number between 2014 and 2017, when it reached approximately 6.1 million IDPs due to ISIS domination (Office for the Coordination of Humanitarian Affairs [OCHA], 2021b), which prompted approximately 15% of Iraqis to flee their homes and areas of origin to become IDPs (IOM, 2018a). On the other hand, after the end of ISIS control, at the end of 2021, an estimated 1.2 million IDPs could not return to their homes and areas of origin (OCHA, 2021a). Consequently, these IDPs continued to suffer from protracted internal displacement, which characterizes internal displacement in Iraq (IOM, 2021).

Besides, IDPs suffer from deprivation, loss of their dignity and marginalization (United Nations General Assembly [UNGA], 2016). Not only that, but IDPs suffer from difficult living conditions due to the challenges they face during their internal displacements, such as family disintegration, job loss, exposure to violence, and difficulty accessing basic needs such as shelter, food and health care (Schimmel, 2022). Simultaneously, the IDPs in Iraq suffer from wide-scale challenges, whether inside or outside the camps. The aim of this paper will discuss one of the challenges facing IDPs in Iraq, which is represented by climate change as a threat to their health security and their lives. Accordingly, this paper is divided into five sections: the IDP camps' condition in Iraq, the methodology, climate change and environmental fragility in Iraq, climate change as a challenge for the IDPs in Iraq, and the conclusion.

METHODOLOGY

This section presents the methodology used in writing this paper concerned with IDPs in Iraq. This paper examines one of the challenges facing IDPs during their internal displacement to understand the suffering of IDPs in Iraq from the challenges they face by reviewing the condition of their camps. Therefore, this paper aims to study the challenge of climate change on IDPs and their health security in Iraq during their internal displacement. This study used the qualitative method based on two primary and secondary data sources. The primary data relied on official sources issued by government agencies and reliable organizations such as IOM and IDMC, which are concerned with IDPs. As for the secondary data, it included the previous studies presented by researchers on the issue of IDPs and climate change. Therefore, to obtain comprehensive information on the issue of this paper to achieve a deeper understanding of its objective of challenging climate change for the IDPs in Iraq during their period of internal displacement.

THE INTERNALLY DISPLACED PERSONS (IDPS) CAMPS' CONDITION IN IRAQ

Since the beginning of the internal displacement phenomenon expansion in Iraq after 2003, IDPs have faced wide-ranging challenges, especially those living in camps or random sites, characterized by extreme vulnerability and sheltering many IDPs (IOM, 2014). Although several years have passed, IDPs continue to suffer from challenges due to the deterioration of those camps, and the challenges expanded and became more complex with the increased number of IDPs. According to IOM (2018), in 2014, IDPs suffered from a food and non-food items shortage and had difficulty accessing them. However, two years later, the situation of IDPs inside the camps remained the same. Besides, in 2016, the challenge intensified, as nearly 90% of the displaced families in Anbar Governorate suffered from severe food shortages (IOM, 2018a). Vale (2020) found that the camps for IDPs designated for the Yezidis suffer from a lack of resources, which has led to broad challenges in the lack of basic needs and a scarcity of health services. Also, the lack of justice in supporting the IDPs inside camps. Some tents receive a box of foodstuffs and cleaning materials monthly, some receive it every 5-6 months, and some have not received any of that aid (Vale, 2020). Moreover, IDPs of different age groups in the camps face various challenges represented by the

unsuitability of the places where they live and the lack of access to clean water and wastewater treatment systems. Also, the healthcare challenges posed a threat to IDPs, as most IDPs lack access to health services and medical professionals (Ismael, 2019). Lafta and Al-Nuaimi (2019) explained that the IDPs in many camps face the challenges of lack of basic needs and health challenges that are terrible and horrific since their homes lack adequate housing standards and are even below the minimum requirements. Consequently, the IDPs in the camps have faced the challenge of spreading infectious and non-infectious diseases such as cardiovascular diseases, high blood pressure and others due to their challenges, which threaten their health security (Lafta & Al-Nuaimi, 2019). Therefore, the challenges that IDPs face in Iraq in their camps or the random sites in which they settle are wide-ranging, especially since those places lack basic living standards and the ability to protect themselves. In addition, these camps and places lack basic needs, including food, safe drinking water, health care, and others. Consequently, these challenges have become a source of diverse and broad threats to the IDP people and their lives.

CLIMATE CHANGE AND ENVIRONMENT FRAGILITY IN IRAQ

Iraq suffers from fragility and severe environmental degradation. Iraq is ranked fifth in the vulnerable world country to climate breakdown, as Iraq suffers from severe climatic fluctuations such as extremely high temperatures, water scarcity, lack of rain, widespread drought and frequent dust storms (IOM, 2022). In 2020, the President of the Iraqi Republic, Barham Salih, announced that Iraq had become one of the countries most affected by climate change due to the wars and conflicts that Iraq has witnessed over the past four decades (Salih, 2020). Accordingly, the environment in Iraq has suffered from fragility and terrible deterioration, which negatively affected all fields of life and posed wide-ranging challenges, which as a result, reflected on the lives of individuals. Since the effects began to become apparent, whether the increase in dust storms, the scarcity of water and rain, or even the loss of arable land as the dust storms are increasing and the rate of desertification in Iraqi lands is rising, reaching 39%, and lost 54% of its arable lands (Salih, 2021). Year after year, the number of dust storms in Iraq continued to rise until its number reached 122 in 2010 (Al-Delaimy, 2020), and the number of dust storms continued to rise from 243 days to 272 days per year (Iraq News Agency [INA], 2022). Consequently, Iraq has become incapable of facing

climate change. Hence, if the necessary measures are not taken to confront it, it will reflect negatively and pose wide-ranging challenges that threaten citizens' life and human security, whether they are IDPs or citizens.

CLIMATE CHANGE AS A CHALLENGE FOR THE INTERNALLY DISPLACED PERSONS (IDPS) IN IRAQ

In Iraq, the challenges arising from climate change are not limited to environmental degradation and pose widespread and direct threats to individuals, their survival and their well-being. On May 5, 2022, Iraq was exposed to a severe dust storm that threatened the health security of Iraqis, as the Iraqi Ministry of Health recorded more than 5,000 cases of suffocation and one death in just one day. What made the challenge more severe is the weak health security in Iraq, where Iraqi hospitals suffer from a lack of medicine and medical oxygen (INA, 2022a). In the same month, after several days, Iraq witnessed another dust storm (INA, 2022b). Suppose these challenges threaten the health and daily life of the citizens who live in the original homes that protect them from weather factors and their access to health care, even if it is weak. What is the situation of the IDPs in the camps?

The IDPs camps suffer from a lack of the necessities of life; hence, they do not obtain protection from weather factors or fluctuations. In these camps, IDPs also suffer from the health security challenge, which results in poor health services. Indeed, the IDP tent cannot be a means of protection for them from the dust storms that cause people to suffocate. Simultaneously, the lack of health services within the camps. Accordingly, IDPs are facing a catastrophe that is becoming more frequent, and challenges have increased in their lives. However, the climate change-related challenges that IDPs face in camps are not limited to dust storms alone. Many areas witnessed annual floods that posed a significant challenge to the IDPs in the camps, threatening their lives and stability, even in the camps. In 2015, heavy rains caused floods that led to the closure of 6 IDP camps in Baghdad and Anbar and carried out secondary internal displacement to new areas (IDMC, 2021). In 2018, the floods inundated 2,392 tents in one IDP camp in northern (IOM, 2018b). Also, in 2021, floods due to heavy rains destroyed many IDP tents in several Erbil Governorate camps (World Food Programme, 2022). Further, the IDP camps also lack health services; therefore, the IDPs will face a challenge towards

their health security in such emergency crises. Consequently, IDPs faced wide-ranging challenges that seriously threatened their lives in various fields, especially those living in tents and random sites.

CONCLUSION

IDPs face large-scale challenges during internal displacement, especially those living in camps or random sites. As for IDPs in Iraq, they suffer from broad and more complex challenges day after day. They suffer from prolonged or secondary internal displacement in addition to other challenges within the internal displacement camps, characterized by their extreme weakness and lack of minimum living standards, including basic needs. Accordingly, these challenges have threatened the lives of IDPs in the camps. This paper concluded that IDPs in Iraq who live in internal displacement camps faced a new challenge. It is represented by climate change and the related side effects that have negatively reflected and posed a threat to the IDPs' lives, health security, and even their simple living, which lacks the necessities of life. Therefore, more necessary measures must be taken on both sides. The first is to work to return the IDPs to their homes, and the second is to confront climate change, which no longer poses a challenge to the IDPs only but rather a challenge that poses threat to Iraq as a state and to its citizens and their health.

REFERENCES

- Al-Delaimy, W. K. (2020). Vulnerable Populations and Regions: Middle East as a Case Study. In *Health of People, Health of Planet and Our Responsibility* (pp. 121–133). Springer International Publishing. https://doi.org/10.1007/978-3-030-31125-4_10
- IDMC. (2020). *Global Report on Internal Displacement 2020*. <https://www.internal-displacement.org/sites/default/files/publications/documents/2020-IDMC-GRID.pdf>
- IDMC. (2021). *A decade of displacement in the Middle East and North Africa*. https://www.internal-displacement.org/sites/default/files/publications/documents/IDMC_MenaReport_final.pdf

- INA. (2022a, May 5). *MOH records more than 5,000 cases of suffocation due to Sandstorm*. INA. <https://ina.iq/eng/19240-moh-records-more-than-5000-cases-of-suffocation-due-to-sandstorm.html>
- INA. (2022b, May 16). *Najaf International Airport decided Monday to suspend all its flights*. INA. <https://ina.iq/eng/19453-najaf-airport-suspends-all-flights-due-to-the-dust-storm.html>
- IOM. (2013). *Internal Displacement in Iraq: Barriers to integration*. <https://www.internal-displacement.org/publications/internal-displacement-in-iraq-barriers-to-integration>
- IOM. (2014). *Ongoing Displacement: A Profile of Iraq 2013-2014*. <https://reliefweb.int/report/iraq/ongoing-displacement-profile-iraq-2013-2014>
- IOM. (2018a). *Iraq displacement crisis: 2014-2017*. https://iraqdtm.iom.int/files/DurableSolutions/20203224827300_IOM-Iraq_Displacement_Crisis_2014-2017.pdf
- IOM. (2018b, November 27). *IOM Responds to Flooding in Iraq*. IOM. <https://www.iom.int/news/iom-responds-flooding-iraq>
- IOM. (2021). *Displacement Index Findings, Round one - Data collection period: March – April 2021 (October 2021)*. <https://iraqdtm.iom.int/DisplacementIndex#Reports>
- IOM. (2022). *Migration, Environment, and Climate Change in Iraq*. <https://reliefweb.int/report/iraq/migration-environment-and-climate-change-iraq>
- Iraq News Agency. (2022, April 5). *The environment expects dust to rise up to 300 days a year*. INA. <https://www.ina.iq/153005--300-.html>
- Ismael, S. T. (2019). Captured by the Quagmire: Iraq's Lost Generation and the Prospects for Children across the Arab Region Today. *Arab Studies Quarterly*, 41(3), 221–234. <https://doi.org/10.13169/arabstudquar.41.3.0221>
- Kamrava, M. (2018). Multipolarity and instability in the Middle East. *Orbis*, 62(4), 598–616. <https://doi.org/10.1016/j.orbis.2018.08.003>
- Lafta, R. K., & Al-Nuaimi, M. A. (2019). War or health: a four-decade armed conflict in Iraq. *Medicine, Conflict and Survival*, 35(3), 209–226. <https://doi.org/10.1080/13623699.2019.1670431>
- Lischer, S. K. (2008). Security and displacement in Iraq: Responding to the forced migration crisis. *International Security*, 33(2), 95–119. <https://doi.org/10.1162/isec.2008.33.2.95>

- OCHA. (2021a). *Global Humanitarian Overview 2022*.
<https://reliefweb.int/sites/reliefweb.int/files/resources/Global%20Humanitarian%20Overview%202022.pdf>
- OCHA. (2021b). *Humanitarian Needs Overview: Iraq*.
<https://reliefweb.int/sites/reliefweb.int/files/resources/Iraq%20Humanitarian%20Needs%20Overview%20%28February%202021%29.pdf>
- Pagonis, J. (2008). *Internal displacement update for Iraq*. UNHCR.
<https://www.unhcr.org/en-my/news/briefing/2008/4/47f20efd6/internal-displacement-update-iraq.html>
- Salih, B. (2020). *Iraqi President's speech at UN's climate ambition summit 2020: Iraq is moving into a new, greener era*. Iraqi Presidency.
<https://presidency.iq/EN/Details.aspx?id=2128>
- Salih, B. (2021). *President Barham Salih: On world environment day; Imperative for revitalizing mesopotamia*. Iraqi Presidency.
<https://presidency.iq/EN/Details.aspx?id=3331>
- Schimmel, N. (2022). Trapped by Sovereignty: The Fate of Internally Displaced Persons and Their Lack of Equal Human Rights Protection under International Law. *World Affairs*, 185(3), 500–529. <https://doi.org/10.1177/00438200221104498>
- Temgoua, C. N., Sharma, D., & Wai-Poi, M. (2020). *Multidimensional Poverty Assessment of Internally Displaced Persons in Iraq* (No. 9203).
- UNGA. (2016). *Rights of internally displaced persons: Note by the Secretary-General*.
https://interagencystandingcommittee.org/system/files/a.71.279_-_sr_ga_report_2016.pdf
- Vale, G. (2020). Liberated, not free: Yazidi women after Islamic State captivity. *Small Wars & Insurgencies*, 31(3), 511–539.
<https://doi.org/10.1080/09592318.2020.1726572>
- World Food Programme. (2022). *WFP Iraq Country Brief, December 2021*.
<https://reliefweb.int/report/iraq/wfp-iraq-country-brief-december-2021>

PART VIII: INTERNATIONAL BUSINESS ENVIRONMENT & OPERATION

THE TRANSFORMATIONAL LEADERSHIP ON HUMAN RESOURCE PERFORMANCE: THE CASE OF UAE

Saeed Mohammed Ali Rashid Al-Murshidi

Corresponding author's email: saeed_m_ali@gsgg.uum.edu.my

Abstract: The critical review indicated that, previous studies conducted in literature remained unsuccessful to identify factors that effect on role of transformational leadership in developing the performance and effectiveness of human resources. Thus, the current study aimed to identify factors influence transformational leadership method in developing the performance and effectiveness of human resources, where leaders can implement the transformational leadership method to raise the efficiency of employees and their management by encouraging them towards achieving organizational performance A systematic literature review is carried out of traditional and contemporary theoretical and empirical research studies to support the nexus of interrelationship between transformational leadership, in developing human resource performance This paper contributes to leadership literature by adding the notion of transformational leadership as an antecedent of developing human resource performance.

Keywords: Transformational leadership, Performance, Human resource, Systematic, UAE, Public Sector

INTRODUCTIONS

Most importantly, transformational leadership is a leadership style in which leaders encourage, inspire, and motivate employees to innovate and create change that will help grow and shape the future success of the organization. This is achieved by setting an example on the executive and managerial level and through a strong sense of the organization's culture and independence among employees. Thus, transformational leaders inspire and motivate the workforce without micromanagement - so the employees make decisions in the jobs assigned to them. Most organizations seek to implement effective organizational and development performance for the performance of workers and for the organization as a whole (Stahl *et al.*, 2020). According to Zafar and Haq (2018), employees' work performances is influenced by different relevant social and psychological factors. A transformational leader appreciates his subordinates and the background factors affecting their performance. If the leader is concerned about his employees, he will make every possible effort to fulfill their psycho-social needs. They will not only guide them but also, influence their behavior through effective and strategic leadership capabilities. Thus, in the light of previous arguments, the role of transformational leaders to influence employees' performance is also witnessed by

previous studies (see Almarzooqi, 2019; Kouni et al., 2018; Meraku, 2017)). Being an influencer, role model, inspiration, and guide for the workforce, a transformational leader give several incentives through intrinsic rewards or investments. Rewards motivate the employees to perform well and eventually result in improved organizational performance (Shaaban, 2017).

According to Jensen and Bro (2018), the effective leadership style and the efficiency of employees positively affect the organizational performance of the organization and the performance of employees, and the transformational leadership style plays an important role in the level of efficiency of subordinates and an important role in determining organizational performance. It is also a management style that is designed to give employees more space to be creative, look to the future and find new solutions to old problems, and the ability to prepare employees on a leadership path to become transformational leaders themselves through mentorship and coaching.

Similarly, improving the efficiency of the work of the bodies and developing the performance of employees is one of the most important requirements of the federal bodies in the United Arab Emirates by highlighting the obstacles involved in enhancing the efficiency of employees (Alrawahi *et al.*, 2020). However, it is necessary for the Emirates federal bodies to achieve sustainability for all types of business in accordance with the strategic vision of the UAE to become a leader in the field of strategic leadership.

TRANSFORMATIONAL LEADERSHIP STYLE

Transformational leadership is a leadership theory in which the leader works with teams to identify needed change, creating a vision to guide the change through inspiration, and executing the change together with committed team members; it is an integral part of the full-range leadership model. (Damer, 2020) Transformational leadership is when a leader's behavior influences and inspires her followers to work beyond their perceived capabilities. Transformational leadership inspires people to achieve unforeseen or remarkable results (Berger *et al.*, 2019). It gives workers autonomy over specific jobs and the power to make decisions once they are ready (Lee and Hidayat, 2018). This causes a positive change in the followers and in the organization as a whole (Effiyanti *et al.*, 2021). Transformational leadership increases follower commitment, participation, loyalty, and effectiveness (Jnaneswar and Ranjit, 2020). Followers go the extra mile to show their support for the leader, to emulate him in order to identify with him emotionally, to maintain obedience without losing their sense of self-worth (Altheeb, 2020). Transformational leaders are strong in their ability to adapt to different situations, share a collective consciousness, self-manage, and be inspired while leading a group of employees (Lan *et al.*, 2019). According to Siangchokyoo et al., (2020) and Basit & Siddiqui (2020) transformational leaders typically engage in four types of

behaviors, also known as the four I's. These behaviors are inspirational motivation, idealized influence, intellectual stimulation through thoughtful consideration

I. Inspirational motivation

It occurs when a leader inspires his followers to achieve his goals. This leader sets lofty and reasonable goals for his followers and his organization. They inspire commitment and create a shared vision for your organization. Inspiring leaders motivate and intrinsic followers and are able to clearly articulate their expectations. Inspirational motivation is closely related to charisma. Charisma leads directly to having a source of power and can be considered both inspiring and inspirational, resulting in a positive emotional impact on that leader's followers.

II. The Idealized Influence

It occurs when a leader acts as a strong role model for his organization and leads by example. These types of leaders consider the needs of their followers and determine their needs first. They usually have a load of charisma and are very ethical. Followers of these leaders often try to emulate their leader, as they tend to easily identify with them.

III. Intellectual Stimulation

It occurs when a leader encourages his followers to think of themselves. These leaders are creative, innovative, and very open to new ideas. They tend to tolerate and even encourage the mistakes of their followers because they believe they contribute to the growth and improvement of the organization. These leaders create learning opportunities for their followers and abandon outdated practices.

IV. The Weighted Consideration

It is when a leader establishes a strong relationship with his followers. These leaders act as facilitators for their followers and their organization. They are mentors to their followers and spend their time developing the capacity of their followers.

IMPORTANCE OF LEADERSHIP ON HUMAN RESOURCE

Leadership is an important to run the organizational procedures that helps to supervise an association's resources for better efficiency and the accomplishment of purposes. Productive leaders provide simplicity of goal, motivate, and counsel the association to acknowledge. The role of leaderships can be determined by the fact that, appreciating the role of employees can help to perform meaningfully to the achievement of organizational motives (Schuetz, 2017).

Leadership is referred to the potential to leverage, improve, and practice supervision over the appearance of others in a company. It is the capacity of a person or an organization to impact on and supervise components of an organization (Khator and Kenyatta, 2012). Leadership implicates organizing an apparent conception, convey the organizational objectives so the workforce may perform effectively, deliver the knowledge, data and techniques to recognize the organizational goals. Clearly, leadership is the capacity of a person or association to oversee or supervise the subordinates or fellow workers in a better possible manner (Treiger, 2014).

Today, organizations are increasingly acknowledging the importance of leadership in executive improvement. Leadership is the eagerness to take holding of the association blended with an inherent desire to do what is favorable for the association. Management fulfills several processes important to the achievement of an association. One of the most vital processes of a leader is to provide insight regarding the organization goals and objectives. The leader clarifies the purposes and the task management approaches to accomplish the designated goals (Iwata *et al.*, 2017). According to (Jami, 2018), despite an organization may have people with several abilities and talents, it is leadership that organizes personal actions towards the mutual goals. By motivating and inspiring the employees and highlighting the policies for the development of a mutual purpose, managers help their corporations accomplish excellence and competitiveness.

Table 1: Summary of the Literature Regarding the Importance of Leadership

| Author and Date | Method/Design | Source | Summary |
|------------------------------------|---------------------------------|--|--|
| (Khator and Kenyatta, 2012) | Case study, quantitative method | International Journal of Business and Commerce | Despite the status of leader’s proficiency and knowledge in a specific profession, they can accomplish excellence if there is a greater organizational sovereignty. This is because a leader provides advice and supports determining likely threats that can influence the organization productivity. |
| (Treiger, 2014) | Review method | International Journal of Business and Commerce | Leadership implicates organizing an apparent conception, convey the organizational objectives so the workforce may perform effectively, deliver the knowledge, data and techniques to recognize the organizational goals. Clearly, leadership is the capacity of a person or association to oversee or supervise the subordinates or fellow workers in a better possible manner. |

| | | | |
|--|---------------------------------|--|--|
| (Moradi Korejan and Shahbazi, 2016). | Case study, quantitative method | Journal of Fundamental and Applied Sciences | Leaders continue obligating the organizational norms and do not let provisional obstacles dominate their courage. When they encounter an obstacle, leaders encourage their teams and help them detect beyond the difficulties by guiding them regarding the mutual interest |
| (Schuetz, 2017) | Case study, quantitative method | Journal of Corporate Responsibility and Leadership | Productive leaders provide simplicity of goal, motivation, and counsel the association to acknowledge. The role of leaderships can be determined by the fact that, appreciating the role of employees can help to perform meaningfully to the achievement of organizational motives |
| (Jami, 2018) | Review method | Research Repository of Selçuk Üniversitesi, Turkey | Despite an organization may have people with several abilities and talents, it is leadership that organizes personal actions towards the mutual goals. By motivating and inspiring the employees and highlighting the policies for the development of a mutual purpose, managers help their corporations accomplish excellence and competitiveness |
| (Sutanto, Scheller-Sampson and Mulyono, 2018) | Qualitative study | International Journal of Business and Society | During the designing and commission of a mission, it is the leader who assures every team component comprehends their responsibilities and contribute an enabling environment to help them accomplish at their best. Organizational leaders can motivate others to take up fundamental steps for the organizational achievement. If a leader is sincere, immediate, fulfills responsibility, they will be a promising role model to the team members |
| (Sherratt, 2022) | Case study, quantitative method | Economy and Society in Prehistoric Europe | Leadership facilitates the pathway to attain the goals and encourages all the workforce individuals to understand their roles that adequately facilitate the task management process. Through the clear communication process, leaders motivate their workforce to act for the fulfillment of objectives |

Similarly, companies continually recruit multi-talented people who have the right abilities and familiarity to provide consequences. However, most institutions still select a company leader to oversee the strength of the units for more effective performance. As noted by (Khator and Kenyatta, 2012), leadership has a voluntary tendency to pursue effectivity as the purpose is to attain efficacy and effectiveness. Nonetheless, despite the status of leader's proficiency and knowledge in a specific profession, they can accomplish excellence if there is a greater organizational sovereignty. This is because a leader provides advice and supports determining likely threats that can influence the organization productivity. It is notable that, a leader does not necessarily have to be a senior colleague, but instead, having capabilities to enhance the organizational achievement through beneficial mentorship, responsibility, and fulfillment of responsibilities. Moreover, leaders have an apparent compassion regarding the organizational goal and what it must do to make it a sensibility. An effective leadership not only leads their workforce but also identifies, comprehends, and communicate the organizational conception to encourage others to subsidize them to accomplish objectives (Treiger, 2014).

TRANSFORMATIONAL LEADERSHIP AND HUMAN RESOURCE PERFORMANCE AND EFFECTIVENESS.

Transformational leaders are generally described as leaders who transform the values, desires, aspirations, and priorities of their employees and motivate employees to exceed expectations. The link between transformational leadership and human resource performance and effectiveness is well established in the current literature (see Khator and Kenyatta, 2012; Kayode, 2014; S and R., 2014; Treiger, 2014; Spreitzer and Xin, 2017; Jami, 2018; Jonyo, Ouma and Mosoti, 2018; Sherratt, 2022). The characteristics of transformational leadership that it depicts provide the theoretical basis for explaining human resource performance and effectiveness (Iwata *et al.*, 2017).

Shafi *et al.*, (2020) explain that transformational behaviors can affect human resource performance and effectiveness through employee perceptions of transformational leaders. These leaders increase employee expectations and recognition for their work and enhance employee job satisfaction and performance through transformational leadership behaviors such as individual attention, intellectual stimulation, and motivation. In addition, the participatory decision-making style practiced by transformational leaders gives employees a sense of participation. Thus, employees are more committed to their jobs and have higher levels of job performance. In the same vein, the study conducted by Urbancová and Hudáková (2017) indicates that human resource performance and effectiveness occur when employees are evaluated through transformational leadership behaviors, which are individual consideration and inspiration. This relationship can be understood as a reciprocal because employees gain performance and effectiveness of human resources and become committed to

producing better job outcomes when they are evaluated by the organizations (Lunenburg, 2012).

As mentioned earlier, the role of transformational leadership in enhancing employee organizational commitment and job satisfaction is undeniable. The impact of transformational leadership is important for individuals working in rapidly changing environments (for example, research and development personnel in technology-based organizations) to enhance their organizational commitment and effectiveness. Indeed, transformational leadership is important for any organization facing environmental changes, including public sector organizations, which is considered. It is generally regarded as undergoing minimal organizational change (Cheboi, 2014). In a similar context, a study conducted by Baker *et al.*, (2013) indicates that transformational leadership behaviors are not limited to procedural constraints and rules in organizations with hierarchical power structures, and such organizations can choose to change leadership styles even if their hierarchical decision-making structures may constrain Transformational leadership.

Despite of abundant studies that have been conducted and published on the relationship between the transformational leadership and job performance, it is viewed that those studies are biased on developed countries. However, studies of the transformational leadership style on human resource performance in the UAE is found to be limited. In addition, the existing studies of transformational leadership in UAE are focusing on private sectors. The impact of the said leadership style in public sector is hardly found in UAE. Thus, this research has the intention to further investigate the relationship of transformational leadership style on human resource performance in public sector in UAE.

CONCLUSION

Transformational leadership also represents one of the relatively modern administrative concepts, and it has given attention by many leaders and officials. Besides, continuing the efforts of researchers, thinkers, experienced and specialized in the management and leadership development, transformational leaders have a direct impact on the behavior of employees to achieve the goals and directions of the institution. It combines the pros described in the leadership theories and is considered as one of the most appropriate leadership, current literature on employees' performance development that improving employees' working conditions should be a vital concern for the leaders. Whether it is enabling the employees to formulate and enhance at what they do or preparing them to do the future challenges, encouraging them, modifying their attitude to ensure the organizational sovereignty. However, for numerous organizations, it is the difficult challenge to gratify the employees needs and motivate them accordingly yet, it is not that the managers and leaders do not comprehend what employees expect from them.

REFERENCE

- Almarzooqi, A. (2019) 'Towards an Artificial Intelligence (AI)-Driven Government in the United Arab Emirates (UAE): A Framework for Transforming and Augmenting Leadership Capabilities', *ProQuest Dissertations and Theses*, p. 204.
- Alrawahi, S. *et al.* (2020) 'The application of Herzberg's two-factor theory of motivation to job satisfaction in clinical laboratories in Omani hospitals', *Heliyon*, 6(9), p. e04829. doi:10.1016/j.heliyon.2020.e04829.
- Altheeb, S. Al (2020) 'Leadership Style and Employee Motivation: A Study of Saudi Arabian Work Environment', *Propósitos y Representaciones*, 8(SPE2). doi:10.20511/pyr2020.v8nspe2.661.
- Andika, F.T. and Xia, Z. (2019) 'Impact of Transformational Leadership and Compensation on Innovation Behavior, With Extrinsic Motivation As Mediator', *Russian Journal of Agricultural and Socio-Economic Sciences*, 87(3), pp. 27–38. doi:10.18551/rjoas.2019-03.05.
- Baker, A. *et al.* (2013) 'The Role of Transformation Leadership Style in Motivating Public Sector Employees in Libya', *Australian Journal of Basic and Applied Sciences*, 7(2), pp. 99–108.
- Basit, A. and Siddiqui, D.A. (2020) 'Authentic Leadership and Openness to Change in Pakistani Service Industry: The Mediating Role of Trust and Transparent Communication', *International Journal of Human Resource Studies* [Preprint]. doi:10.5296/ijhrs.v10i3.17318.
- Berger, R. *et al.* (2019) 'How and When Do Leaders Influence Employees' Well-Being? Moderated Mediation Models for Job Demands and Resources', *Frontiers in Psychology*, 10(December), pp. 1–15. doi:10.3389/fpsyg.2019.02788.
- Cheboi, D.K. (2014) 'Influence of extrinsic motivation on employee's performance in Moi Teaching and Referral hospital Eldoret, Kenya'.
- Damer, L. (2020) 'Successful Talent Management Strategies Business Leaders Use to Improve Succession Planning', *ProQuest Dissertations and Theses*, p. 155.
- Dunworth, K. and Sanchez, H.S. (2016) 'Perceptions of quality in staff-student written feedback in higher education: A case study', *Teaching in Higher Education*, 21(5), pp. 576–589. doi:10.1080/13562517.2016.1160219.
- Effiyanti, E. *et al.* (2021) 'The Influence of Transformational Leadership on Organizational Performance: A Case Study in Indonesia', 8(2), pp. 583–593. doi:10.13106/jafeb.2021.vol8.no2.0583.
- Ellickson, M.C. and Logsdon, K. (2002) 'Determinants of job satisfaction of municipal government employees', *Public Personnel Management*, 31(3), pp. 343–358. doi:10.1177/009102600203100307.
- Iwata, D. *et al.* (2017) *The importance of leadership in the knowledge economy*.

Jami, S.M. (2018) 'The importance of Leadership Styles in Decision Making Process: a Research in Charity Organizations in Iraq. Masters thesis', (June 2018).

Jensen, U.T. and Bro, L.L. (2018) 'How Transformational Leadership Supports Intrinsic Motivation and Public Service Motivation: The Mediating Role of Basic Need Satisfaction', *American Review of Public Administration*, 48(6), pp. 535–549. doi:10.1177/0275074017699470.

Jnaneswar, K. and Ranjit, G. (2020) 'Effect of transformational leadership on job performance: testing the mediating role of corporate social responsibility', *Journal of Advances in Management Research* [Preprint].

Jonyo, B.O., Ouma, C. and Mosoti, Z. (2018) 'The Effect of Mission and Vision on Organizational Performance within Private Universities in Kenya', *European Journal of Educational Sciences*, 05(02), pp. 15–33. doi:10.19044/ejes.v5no2a2.

Kayode, B. (2014) 'Leadership and Decision-making: A Study on Reflexive Relationship Between Leadership Style and Decision-making Approach', *British Journal of Education, Society & Behavioural Science*, 4(4), pp. 473–484. doi:10.9734/bjesbs/2014/5514.

Khator, A.A. and Kenyatta, J. (2012) 'The Role of Leadership in Organizational Development PHD Student in Strategic Management', *International Journal of Business and Commerce*, 1(11), pp. 97–104.

Kouni, Z., Koutsoukos, M. and Panta, D. (2018) 'Transformational Leadership and Job Satisfaction: The Case of Secondary Education Teachers in Greece', *Journal of Education and Training Studies*, 6(10), p. 158. doi:10.11114/jets.v6i10.3451.

Lan, T.S. *et al.* (2019) 'Influences of transformational leadership, transactional leadership, and patriarchal leadership on job satisfaction of cram school faculty members', *Sustainability (Switzerland)*, 11(12). doi:10.3390/su10023465.

Lee, C.-W. and Hidayat, N. (2018) 'The Influence of Transformational Leadership and Intrinsic Motivation to Employee Performance', *Advances in Management & Applied Economics*, 8(2), pp. 1792–7552.

Lunenburg, F.C. (2012) 'Power and Leadership: An Influence Process', *INTERNATIONAL JOURNAL OF MANAGEMENT, BUSINESS, AND ADMINISTRATION*, 15(1). doi:10.1177/001872678303600207.

Meraku, A. (2017) 'Role of Leadership in Organizational Effectiveness', *Journal of Economics, Business and Management*, 5(11), pp. 336–340. doi:10.18178/joebm.2017.5.11.535.

Moradi Korejan, M. and Shahbazi, H. (2016) 'An analysis of the transformational leadership theory', *Journal of Fundamental and Applied Sciences*, 8(3), p. 452. doi:10.4314/jfas.v8i3s.192.

S, N.T. and R., S.D. (2014) 'Leadership styles.', *Advances In Management*, 7(2). doi:10.1016/b978-1-84334-658-6.50003-6.

- Schuetz, A. (2017) 'Effective Leadership and its Impact on an Organisation's Success', *Journal of Corporate Responsibility and Leadership*, 3(3), p. 73. doi:10.12775/jcrl.2016.017.
- Shaaban, S. (2017) 'The Impact of Leadership Style on Middle Managers' Motivation: A Study of the Ministry of Civil Aviation in Egypt', *Journal of Business and Management Sciences*, 5(3), pp. 100–107. doi:10.12691/jbms-5-3-5.
- Shafi, M. *et al.* (2020) 'The effects of transformational leadership on employee creativity: Moderating role of intrinsic motivation', *Asia Pacific Management Review*, 25(3), pp. 166–176. doi:10.1016/j.apmr.2019.12.002.
- Sherratt, A. (2022) '16 Sacred and Profane Substances: The Ritual Use of Narcotics in Later Neolithic Europe! (1991)', *Economy and Society in Prehistoric Europe*, 9519, pp. 403–430. doi:10.1515/9781474472562-019.
- Siangchokyoo, N., Klinger, R.L. and Campion, E.D. (2020) 'Follower transformation as the linchpin of transformational leadership theory: A systematic review and future research agenda', *Leadership Quarterly* [Preprint]. doi:10.1016/j.leaqua.2019.101341.
- Spreitzer, G. and Xin, K. (2017) 'Traditionality Matters: An Examination of the Effectiveness of Transformational Leadership in the U.S. and Taiwan', pp. 1–43.
- Stahl, G.K. *et al.* (2020) 'Enhancing the role of human resource management in corporate sustainability and social responsibility: A multi-stakeholder, multidimensional approach to HRM', *Human Resource Management Review*, 30(3), p. 100708. doi:10.1016/j.hrmr.2019.100708.
- Sutanto, E.M., Scheller-Sampson, J. and Mulyono, F. (2018) 'Organizational justice work environment and motivation', *International Journal of Business and Society*, 19(2), pp. 313–322.
- Treiger, T.M. (2014) 'The importance of leadership followership', *Professional Case Management*, 19(2), pp. 93–94. doi:10.1097/NCM.0000000000000019.
- Urbancová, H. and Hudáková, M. (2017) 'Benefits of employer brand and the supporting trends', *Economics and Sociology*, 10(4), pp. 41–50. doi:10.14254/2071-789X.2017/10-4/4.
- Zafar, A. and Haq, M. (2018) 'Job Satisfaction of Employees of a Private Organization in Bangladesh', 5(3), pp. 62–66.

EXPORT CHALLENGES TO CHINA: A STUDY OF THE KING OF FRUITS IN MALAYSIA

Shir May Ooi, Jun Chen

Universiti Utara Malaysia, 06010 UUM Sintok, Kedah, Malaysia.

Corresponding author's email: shirmay@uum.edu.my

Abstract: Malaysia durian exports to China stagnated for the past few years even though the demand was increasing. A study on the challenges faced by Malaysia Durian farmers to export durian to China is a need. The qualitative research method was used to collect respondents' responses through interviews with six durian exporters that were originated from Malaysia. The goal of having the in-depth interviews was to identify challenges that were faced by the durian exporters in Malaysia. Analysis of the data reveals important themes regarding the challenges as faced by durian exporters in Malaysia. In support of the existing literature, the supply of durian, international logistic system and the preference of China consumers towards Malaysia durian are affecting the exportation rate of durian from Malaysia to China. Other than that, new challenges were discovered which consist of the quality of durian, outbreak of the COVID-19 pandemic and pest and disease control. The major contribution of this study is to provide meaningful insights into which challenges bring impact to the Malaysia durian exportation rate to China market.

Keyword: Durian Supply, International Logistics, Consumer Preferences, Export Challenges

INTRODUCTION

Durio zibethinus, also called durian in Malaysia, it is one of the tropical fruits (Cabi, 2019). Its name came from the Malay word (duri) which mean thorn and a suffix-an added at the back (Aziz & Jalil, 2019). Malaysia is one of the tropical countries since it is situated on the equator, with the unique soil and climatic conditions in Malaysia coupled with excellent varieties, create the excellent quality of Malaysian durian. For example, there are 12 popular types of durians in Malaysia, which are D101, D24, Tekka, D13, Golden Phoenix, D1, D17, Mao Shan Wang, Black Pearl, Black Thorn, Red Prawn, and Hor Lor (Ong, 2019). Durian is considered a new lucrative source of income in the agricultural industry. Malaysia has exported durians to many other countries, not only China but also Singapore, Indonesia, Hong Kong (Suntharalingam, 2017). Despite the popularity of Malaysian durians in China, export volume to China is still considered very low, therefore, this study intends to find out what are the challenges that limit Malaysian export volume of durians to China.

METHODOLOGY

The purpose of this study was to obtain subjective thoughts and opinions regarding the challenges for Malaysia durian export to China from the respondents who participated in this research. In this study, the method used is the qualitative method. The

qualitative method allows respondents to answer by telling why, how and what to better understand the challenges in exporting durian to China. Furthermore, the qualitative method enables interactions between researchers and respondents, they can provide some subjective experiences about the challenges of exporting durian, which offers rich and meaningful data.

RESULT

There are many factors that could affect the production of durian supply in Malaysia, and once the durian supply goes down, this would inevitably affect the durian exportation rate to China. Based on the research, the demand for durians coming from China consumers is more than the durian supply which Malaysia can produce. The high delivery cost of transporting the heavy fruits would limit the amount of durians to be delivered to the factory before the fruits are then processed and prepared to export to China. Since the number of durians to be delivered from the plantation to the factory is then limited, the number of durians to be exported out to China was affected as well.

Malaysia's premium durian, Musang King and Blackthorn are always marketed as durian with superior flavor, thicker flesh, and bright yellow color. Due to the better and stronger flavor of Malaysia durians, most of China consumers would opt for Malaysia durians than Thailand durians. With the short shelf life of the fruits, the fruits would inevitably need to undergo the freezing process to extend the shelf life, but according to the exporters, although it is subtle, the freezing process will still affect the taste and quality of the durians. Like other plants, durian trees that bear fruits are vulnerable to pests and diseases as well. With no proper controls on the pest and diseases, the quantity of durian that the tree can produce will be limited, hence resulting in a decrease in the number of durians that can be exported to China. The COVID-19 pandemic crisis hugely affected the way the company is operated. A lot of companies were limiting or reducing their work capacity in the farms and factories. This of course directly affected the operations of the exporting companies in terms of freezing, packaging as well as the delivery process of the fruits. With all these procedures that were affected, the labor-intensive exportation business slowed down, hence the number of durians that can be exported to China was affected.

DISCUSSION

In terms of the logistics of durian exportation in Malaysia, the complexity of the fruit processing procedures was the challenge drawn out by the respondents. The logistics of durian exportation depicted the activities and the processes involved from the input (farm) to the output (export). Processes like inbound logistics, processing, and outbound logistics are needed to be more effective and integrated accordingly. Durian farmers in Malaysia should be aware of the monsoon seasons in Malaysia and take preventive measures to avoid the rain from destroying the durian trees, as Malaysia is a flood-prone country. China consumers prefer to eat original fruits as compared to manufactured durian products. Another challenge brought out by the respondents is the emergence of pest and diseases afflicting the durian trees. It was shown that without proper control of the mentioned problems, would result in the reduction of durian supply. And lastly, the COVID-19 pandemic tormented the global economy and trade so the export of Malaysia Durian to China.

CONCLUSIONS

Challenges in the Malaysia durian exportation business were studied based on experiences shared by the durian exporters in Malaysia. This study is focused on Pahang state as the data collection location where major farmers export durians to China. Future research can be performed in other locations such as Penang and Kelantan in Malaysia. This study provides meaningful insights into the challenges of durian export in Malaysia.

REFERENCES

- Abu Dardak, R. (2006). The Consumers' Preference for Durian in Malaysia. *Economic and Technology Management Review*, 1(1), 37-49.
- Ahmad, A. A., Jamaluddin, J. A., Yusof, F., Safari, S., & Yusof, R. M. (2018). Maximising the Benefit of Domestic and Export Markets Scenario: Predicting Models for Durian Production. *Economic and Technology Management Review*, 13, 19-31.
- Ahmad, A. A., Yusof, F., Mispan, M. R., Rasid, M. Z., & Nizar, M. M. (2020). Durian Yield Trends and Distribution Patterns in Peninsular. *Pertanika Tropical Agriculture Science*, 43(1), 47-64.
- Aramyan, L. H., Lansink, A. G., Vorst, J. G., & Kooten, O. v. (2007). Performance Measurement In Agri-food Supply Chains: A Case Study. *Supply Chain Management*, 304-315.
- Aziz, N. A., & Jalil, A. M. (2019). Bioactive Compounds, Nutritional Value, and Potential Health Benefits of Indigeous Durian (*Durian Zibethinus Murr*): A Review. *A Review. Food*, 8(96). doi:<https://doi.org/10.3390/foods8030096>
- Barnier, B. (2020, March 27). *Law of Demand*. Retrieved from Investopedia: <https://www.investopedia.com/terms/l/lawofdemand.asp#:~:text=The%20law%20of%20demand%20states,the%20lower%20the%20quantity%20demanded>
- Bayhaqi, A., Andres, E. A., Cheok, D., & Asi, R. L. (2017). *Study on the Application of Global Data Standards for Supply Chain Connectivity (Phase 2)*. Australia: APEC Secretariat, APEC Policy Support Unit.
- Bekele, D. (2018). Review on Factors Affecting Postharvest Quality of Fruits. *Journal of Plant Science and Research*, 5(2), 180.
- Bowie, N. (2018, January 26). *Low Hanging Fruit for China-Malaysia Ties*. Retrieved from Asia Times: <https://asiatimes.com/2018/01/low-hanging-fruit-china-malaysia-ties/>
- Cai, F. (2019, May 14). *Malaysian Durian Reach Important Turning Point In Export to Chinese Market*. Retrieved from Fresh Plaza: <https://www.freshplaza.com/article/9103546/malaysian-durian-reach-important-turning-point-in-export-to-chinese-market/>
- Carnarius, J. (2018, March 20). *Modes of Transportation Explained: Which Type of Cargo and Freight Transportation Is The Best?* Retrieved from Forto: <https://forto.com/en/blog/modes-transportation-explained-best/>
- Caulfield, J. (2019). *How to Do Thematic Analysis*. Retrieved from Scribbr: <https://www.scribbr.com/methodology/thematic-analysis/>

- Chow, E. (2018, November 26). *Malaysia Bets on Durian as China Goes Bananas for World's Smelliest Fruit*. Retrieved from Reuters: <https://www.reuters.com/article/uk-malaysia-durian-idUKKCN1NV025>
- Chung, F. (2019). *Durian Seasons in Durian Production Areas*. Retrieved from Durian Info: <http://durianinfo.blogspot.com/p/durian-seasons-in-durian-production.html>
- Chung, P. (2019, October 1). *Overview of Malaysian Durian Production, Export, and Price*. Retrieved from Tridge: <https://www.tridge.com/stories/overview-of-malaysian-durian-production-export-and-price>
- CNA. (2019, June 17). *Malaysia Expects Frozen Durian Exports to China to Hit 1,000 Metric Tonnes Monthly*. Retrieved from CNA: <https://www.channelnewsasia.com/news/business/malaysia-frozen-durian-exports-to-china-1-000-metric-tonnes-11634750>
- Datepume, N., Sukprasert, P., Jatuporn, C., & Thongkaew, S. (2019, August). Factors Affecting the Production of Export Quality Durians by Farmers in Chanthaburi Province, Thailand. *Journal of Sustainability Science and Management*, 14(4), 94-105. Retrieved from <https://jssm.umt.edu.my/wp-content/uploads/sites/51/2019/08/9.pdf>
- Department of Agriculture Malaysia. (n.d.). *Varieties Registered For National Crop List*. Retrieved from Department of Agriculture Malaysia: <http://pvpbkkt.doa.gov.my/NationalList/Search.php>
- Fang, C. (2020, June 11). *Malaysian Durian Export to China this Season Promising*. Retrieved from Fresh Plaza: <https://www.freshplaza.com/article/9224293/malaysian-durian-export-to-china-this-season-promising/>
- Federal Agricultural Marketing Authority. (2020). *Panduan Pengeksportan Durian Sejuk Beku ke China*. Retrieved from Federal Agricultural Marketing Authority: <http://www.fama.gov.my/en/pengeksportan-isi-durian-sejuk-beku-ke-china>
- Ketsa, S., Wisutiamonkul, A., Palapol, Y., & Paull, R. (2020). The Durian: Botany, Horticulture, and Utilization. In I. Warrington (Ed.), *Horticultural Reviews* (Vol. 47, pp. 125-211). John Wiley & Sons, Inc. doi:<https://doi.org/10.1002/9781119625407.ch4>
- Khor, Y.-L. (2019, May 6). *As Malaysia Ramps Up its Durian Exports to China, Quirky Product Offerings May Be Answer to Rivalling Thailand's Dominance*. Retrieved from The Week in Asia: <https://www.scmp.com/week-asia/opinion/article/3008935/malaysia-ramps-its-durian-exports-china-quirky-product-offerings>
- Kubo, K., & Sakata, S. (2018). Impact of China's Increasing Demand for Agro Produce on Agricultural Production in the Mekong Region. *BRC Research Report Bangkok Research Center, JETRO Bangkok/IDE-JETRO*.
- Lei, L. (2018). A General Review of China's Fruit Import Status. *IDE Discussion Paper*, 726.
- Luning, P. (2009). *Food Quality Management: Technological and Managerial Principles and Practices*. The Netherlands: Academic Publishers.
- Man, N., Nawawi, N. M., & Ismail, M. (2009). An Overview of the Supply Chain Management of Malaysian Vegetable and Fruit Industries Focusing on the Channel of Distribution. *Journal of Agribusiness Marketing*, 2, 1-18.
- Mokhzani, C. W. (2017, May 13). *King of Fruit*. Retrieved from The Star: <https://www.thestar.com.my/business/business-news/2017/05/13/the-china-factor-in-durian-prices/>

- Mun Meng Group. (2020). *Frozen Whole Durian*. Retrieved from Mun Meng Group: <https://munmenggroup.com/product/frozen-whole-durian/?lang=en>
- Mun Meng Group. (2021). *Durian Pulp*. Retrieved from Mun Meng Group: <https://munmenggroup.com/product/durian-pulp/?lang=en>
- Nirav, S. (2019). *How to Grow Durian*. Retrieved from Durian Haven: <http://durianhaven.com/how-to-grow-durian.html>
- Noodaeng, S. (2017). Export Competitiveness of Thai Durian in China Market. *European Journal of Business and Management*, 9(36), 48-55.
- Nordin, R. (2019, June 1). *Malaysia to Start Exporting Musang King to China in August*. Retrieved from The Star: <https://www.thestar.com.my/news/nation/2019/06/01/msia-to-start-exporting-musang-king-to-china-in-august>
- Ong, C. (2019, August 7). *12 Types of Durians and How to Pick the Best Durian*. Retrieved from YouTrip: <https://www.you.co/sg/blog/types-of-durians-how-to-pick-the-best-durian/>
- PMA China Market Development Representative. (2016). *Exporting Fresh Fruit and Vegetables to China: A Market Overview and Guide for Foreign Suppliers*. Delaware: Produce Marketing Association.
- Pongpanich, C., & Phitya-Isarakul, P. (2008). Enhancing the Competitiveness of Thai Fruit Exports: An Empirical Study in China. *Contemporary Management Research*, 4(1), 15-28.
- Rozana, N., N. M. M., S., & Othman, M. F. (2017). Competitiveness of Malaysia's Fruits in the Global Market: Revealed Comparative Advantage Analysis. *Malaysian Journal of Mathematical Sciences*, 11, 143-157.
- Ruamngow, S. (2000). *Control of Postharvest Fruit Rot of Durian Caused by Colletortichum Gloeosporioides, Lasiodiplodiatheobromae and Phomopsis sp.M.S. Thesis*. Bangkok: Kasetsart University.
- Ruben, R., Tilburg, A. v., Trienekens, J., & Boekel, M. v. (2007). *Linking Market Integration, Supply Chain Governance, Quality and Value Added in Tropical Food Chains*. Netherlands: Wageningen Academic Publisher.
- S, T. (2016). *Advantages And Challenges Of Exporting*. Retrieved from Expertbase logo: <https://www.expertbase.org/a238-advantages-and-challenges-of-exporting>
- Sidhu, B. (2019, December 21). *Durian and the Scent of Money*. Retrieved from The Star: <https://www.thestar.com.my/business/business-news/2019/12/21/durian-and-the-scent-of-money>
- Siew, G. Y., Ng, W. L., Tan, S. W., Alitheen, N. B., Tan, S. G., & Yeap, S. K. (2018). Genetic Variation and DNA Fingerprinting of Durian Types in Malaysia Using Simple Sequence Repeat (SSR) Markers. *PeerJ*, 6, 1-18. doi:10.7717/peerj.4266
- Statista. (2020, December 18). *Production Volume of Durians in Malaysia From 2013 to 2019*. Retrieved from Statista: <https://www.statista.com/statistics/1000876/malaysia-durian-production/#:~:text=In%202019%2C%20Malaysia%20produced%20approximately,shell%20and%20strong%2C%20pungent%20smell.>
- Striegel, L., Chebib, S., Dumler, C., Lu, Y., Huang, D., & Rychlik, M. (2018, November 28). *Durian Fruits Discovered as Superior Folate Sources*. Retrieved from US National Library of Medicine National Institute of Health: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC6279852/#:~:text=The%20du>

- rian%20chips%20(1%E2%80%93,lower%20compared%20with%20fresh%20orils.
- Subhadrabandhu, S., & Ketsa, S. (2001). *Durian: King of Tropical Fruit*. Madison, Wisconsin: D. Brasell. doi:<http://dx.doi.org/10.1079/9780851994963.0000>
- Suntharalingam, C. (2017). Competitiveness of Malaysia's Fruits in the Global Market: Revealed Comparative Advantage Analysis. *Malaysian Journal of Mathematical Sciences* 11, 143-157.
- Suntharalingam, C., Ahmad, T. A., Ali, A. K., & Rusli, R. (2017). Competitiveness Of Malaysia's Fruits in The Global Agricultural And Selected Export Markets: Analyses Of Revealed Comparative Advantage (RCA) And Comparative Export Performance (CEP). *Economic and Technology Management Research Centre*, 6, 1-17.
- Suntharalingam, C., Jamaludin, J. A., Athirah, N. F., Mustaffa, R., & Safari, S. (2018, October 15). *Durian as New Source of Malaysia's Agricultural Wealth*. Retrieved from Food and Fertilizer Technology for the Asian and Pacific Region.
- Tantrakonnsab, W., & Tantrakoonsab, N. (2018). Thai Export of Durian to China. *BRC Research Report Bangkok Research Center, JETRO Bangkok*.
- The Business Times. (2019, August 9). *Malaysia's Durian Exporters See Spike In Demand From China*. Retrieved from The Business Times: <https://www.businesstimes.com.sg/asean-business/malaysia%E2%80%99s-durian-exporters-see-spike-in-demand-from-china>
- The Straits Times. (2017, November 30). *Malaysia Seeks to Satisfy China's Durian Craving*. Retrieved from The Straits Time: <https://www.straitstimes.com/asia/se-asia/malaysia-seeks-to-satisfy-chinas-durian-craving>
- Tropical Fruit Global Information. (2020). *Durian Harvesting*. Retrieved from Tropical Fruit Global Information: <http://www.itfnet.org/gfruit/Templates%20English/durian.harvest.htm>
- United Nations. (2007). *Challenges and Opportunities Arising from Private Standards on Food Safety and Environment for Exporters of Fresh Fruit and Vegetables in Asia: Experiences of Malaysia, Thailand, and Vietnam*. New York: United Nations.
- Wan Ibrahim, W., Safari, S., Abdul Rahim, M., & Razali, N. (2021). From Farm to China: A Case Study of Malaysian Frozen Whole Durian Export Supply Chain. *Economic and Technology Management Review*, 16, 1-20.
- Wang, H. (2020, August 27). *Thai Durian are Expected to Perform Poorly in the Chinese Market, at Least for a Short While*. Retrieved from Fresh Plaza: <https://www.freshplaza.com/article/9244103/thai-durian-are-expected-to-perform-poorly-in-the-chinese-market-at-least-for-a-short-while/>
- Weedmark, D. (2018, June 11). *Definition of Consumer Preference*. Retrieved from Biz Fluent: <https://bizfluent.com/info-8698883-definition-consumer-preference.html>
- Wit, A. d. (2006). *Brazilian Cut Flower Export Chains to Europe – Management Recommendations for the Northeastern State of Ceará*. Wageningen University.
- Wong, K. (2017, November 29). *Malaysia Durians are the Next Big Thing in China's Billion-dollar Market for the "King of Fruits"*. Retrieved from Mothership: <https://mothership.sg/2017/11/malaysia-durians-china-billion-dollar-market-king-of-fruits/>

- Wulandari, D., Qurniati, R., & Herwanti, S. (2018). Durian Marketing Efficiency in Durian Tourism Village in Sumber Agung. *Jurnal Sylva Lestari*, 6(2), 68.
- Yaşar, M., & Nelson, C. H. (2004). The Relationship between Exports and Productivity at the Plant level in the Turkish Apparel and Motor Vehicle Parts Industries. *Mahmut Yaşar Carl H. Nelson*.
- Yusof, A. (2020, February 07). *Malaysia's Durian Industry Stung by Low Prices as Coronavirus Outbreak Affects Demand from China*. Retrieved from CNA: <https://www.channelnewsasia.com/news/asia/malaysia-wuhan-coronavirus-durian-china-demand-musang-king-12404526>
- Zakaria, A., & Rahim, A. R. (2014). An Overview of Fruit Supply Chain in Malaysia. *Jurnal Mekanikal*, 37, 36-46.
- Zang, J. (2020, February 23). *China's Fruit Import and Export Statistics for 2019 Released*. Retrieved from Produce Report: <https://www.producereport.com/article/chinas-fruit-import-export-statistics-2019-released#:~:text=Recently%20released%20data%20from%20the,%25%20and%2025%25%2C%20respectively.>

AN ANALYSIS OF CHINA'S OUTWARD FOREIGN DIRECT INVESTMENT LOCATION ENVIRONMENT IN ASEAN FROM THE PERSPECTIVE OF THE BELT AND ROAD

Xue Ye*, Mohd Sobri Don, A. S. A. Ferdous Alam
School of International Studies, Universiti Utara Malaysia,
Malaysia Corresponding author: XUE YE,
*Corresponding author's email: xueye8976@gmail.com

Abstract: as the Belt and Road initiative has been proposed in 2013, the scale of China's Outward Foreign Direct Investment (OFDI) continues to expand along the route. ASEAN has become the main investment destination of China's enterprises. It has coincided with the 30th anniversary of the establishment of dialogue between ASEAN and China in 2021. The economic exchanges between ASEAN and China will open up a new situation. This study provides a detailed description of the investment environment in ASEAN countries through a review and analysis of relevant data and literature from 10 ASEAN countries. This study presents the investment environment of ASEAN countries in three aspects: political environment, economic environment and cultural and geographical environment. This study finds that the political environment of ASEAN countries is relatively stable, the economic freedom is higher compared to China, the geographical distance has a great advantage and the culture of some ASEAN countries has some similarities with China. These results have important implications for Chinese enterprises making outward FDI to ASEAN countries.

Key word: The investment environment, the Belt and Road Initiative, China's OFDI, ASEAN countries.

1.0 INTRODUCTION

Since the Belt and Road initiative was proposed in 2013, it has formed a pattern of all rounds opening up of China's economy which has greatly promoted China's OFDI. Statistics show that by the end of 2020, China ranked first in the world in terms of OFDI flows and third in terms of stocks. (Ministry of Commerce, PRC, 2020). By 2020, Chinese domestic investors have built more than 11,000 overseas enterprises in 63 countries along the Belt and Road, covering 18 major sectors of the national economy. In 2020, US\$16.06 billion was invested in ASEAN countries from China (Ministry of Commerce [PRC], 2020). China's OFDI was shifting from countries outside the

1

initiative to countries within the Belt and Road (Hu & Zhang, 2021). All ten ASEAN countries participated in the Belt and Road initiative and ASEAN and China have achieved the 30th anniversary of the establishment of dialogue relations, which makes China's OFDI in ASEAN become a research hotspot (Tian et al. 2019; Ge &

Li, 2020). ASEAN is an association of 10 member states. Each member country has its distinctive traits and then shapes its specific investment environment. The different investment environments have a great impact on the conduct of China's OFDI.

2.0 LITERATURE REVIEW

This paper combs through the research on China's OFDI in ASEAN countries by scholars from various countries and finds that the existing literature mainly focuses on China's OFDI impact, location selection, investment optimization and risk assessment. Investment location has been the first step of investment activities and investment location theory pushed transnational corporation to maximize their investment returns by mastering destination resources (WU, 1997). Many traditional OFDI theories refer to the issue of investment location. For instance, Hymer's Monopoly Advantage Theory, Vernon's Product Life Cycle theory, the Internalization Theory proposed by Buckley and Casson, Kojima's Theory of Comparative Advantage, etc. Among many OFDI theories, Dunning's OLI paradigm provided a more detailed interpretation of the investment location. L in OLI paradigm means location and it analyzes the location advantage of the host country. Location advantage meant that the host country had enough favorable conditions in terms of investment environment, economic institution and government policies to be able to attract foreign investment (Dunning, 1981). Therefore, multinational enterprises need to pay more attention to host country's investment environment. The investment environment was mainly influenced by market size, per capita income level and resource endowment (Wang et al, 2018). Some in-depth studies of the investment environment in countries along the Belt and Road from a geostrategic perspective, where political risks, institutional factors, infrastructure and culture also had significant impacts on the location decision (Cui et al., 2017; Kayalvizhi & Thenmozhi, 2018; Tian et al, 2018; Lee, 2019; Li et al, 2019; Wang et al. 2019). In addition, Li and Wang (2019) used factor analysis to construct an evaluation system from four aspects, political and social risk, economic risk, legal risk and sovereign credit risk, and classified the investment risk areas into three levels: low, medium and high. Liu et al. (2019) assessed and ranked the comprehensive risks of countries along the Belt and Road based on three dimensions: political, economic and social, and made recommendations for risk prevention and control. Lou and Pei (2020) utilized an empirical study on the business environment to show that Singapore had the best business environment among the countries along the Belt and Road route. Combined with the geographical advantages, the overall business environment in Southeast Asia was the best among the countries along the route. Prior to the Belt and Road Initiative, some of the countries along the route (e.g., countries in the Southeast Asian) already had a solid bilateral investment foundation with China and maintained a good momentum of development. In other words, Southeast Asian countries had already started to renovate and improve their infrastructure, which provided a

better infrastructure environment for foreign investment. Since then, the scale of Chinese investment in the Southeast Asian region has been at a high level (Lou & Pei, 2020). To conclude, the investment environment is an important guide for Chinese enterprises in their choice of location in ASEAN countries. In recent years, the study of investment locations in Southeast Asian countries has become a research focus (Masron, 2017.; Yang & Zhang, 2018; Tian et al. 2019; Ge & Li, 2020). Therefore, this study will take a closer look at the political, economic and cultural-geographical environment of ASEAN countries and make recommendations for Chinese enterprises.

2.0 METHODOLOGY

This study employs qualitative research to develop an understanding and analysis of the Belt and Road Initiative and the investment environment by identifying and sorting through the existing literature. Secondly, by analyzing the political, economic, cultural, geographical and investment data after the Belt and Road Initiative was proposed, that is, from 2013 to 2020, the analysis is collated and completed to define the investment environment of ASEAN countries. Ultimately, rational recommendations are made for Chinese enterprises' OFDI based on the analysis results.

3.0 DISCUSSION

This study analyses China's investment environment in ASEAN by analyzing the three main environmental factors affecting OFDI activities: the political environment, the economic environment and the cultural and geographical environment.

3.1 Political environment

The social system and the level of political integrity are important aspects that reflect the political environment of the host country (Feng, 2013). In terms of social system, among the ten ASEAN countries, Brunei, Cambodia, Malaysia and Thailand have a constitutional monarchy. Laos and Myanmar are the people's democratic republics. Vietnam is a socialist republic. The Philippines has a presidential parliamentary system. Indonesia has a presidential cabinet system. Singapore has a parliamentary republic system. According to Transparency International, a global alliance of corruption, which issued the Corruption Perceptions Index (CPI) to show the cleanliness of a country's government. Singapore had the highest level of clean government, followed by Brunei, Vietnam, Indonesia and Malaysia. Thailand, the Philippines, Cambodia, Laos and Myanmar had higher levels of government corruption (CPI, 2020). Moreover, the World Bank's World Governance Indicators

(WGI) also show the political environment of a country. The WGI has six dimensions which is Control of Corruption, Government Effectiveness, Political Stability and Absence of Violence/Terrorism, Regulatory Quality, Rule of Law and Voice and Accountability. Combining the data across the six dimensions, the WGI's results are similar to Corruption Perceptions Index. Among the 10 ASEAN countries, there are different political systems and different political stability. The investment risks of Chinese enterprises in ASEAN countries are quite different (Xiong et al. 2020). Based on a comprehensive assessment of political risk, ASEAN countries can be divided into three categories. The first group is the countries with low political risk, including Singapore, Brunei and Malaysia. They have relatively sound legal systems and a relatively good political environment. The second group is the countries with a relatively relaxed investment environment, including Indonesia, Vietnam, Cambodia, Laos, the Philippines, Thailand and Myanmar. Political instability can cause economic losses to Chinese companies investing in Southeast Asia or failing to achieve the desired investment objectives (Zhai et al. 2016).

3.2 Economic environment

GDP per capita was a comprehensive reflection of a country's level of economic development and the consumption power of its residents (Wang, 2019). GDP reflected the size of a country's economy and GDP growth rates influenced the dynamism of a country's economy (Ming et al. 2019). World Bank' World Development Indicators (WDI) data shows that the ASEAN economy has maintained steady growth in recent years. In 2020, the 10 ASEAN countries had a total GDP of 3.002152 trillion dollars and a GDP per capita of approximately US\$4,500. With the exception of Singapore, Thailand and Brunei, the remaining seven countries have GDP growth rates above the ASEAN average growth rate (WDI, 2020). This indicated that ASEAN had huge market potential and provided market guarantee for Chinese enterprises to invest in ASEAN.

The degree of economic freedom of ASEAN has gradually increased with the dynamic development of the international economy and the establishment of the ASEAN Free Trade Area (AFTA) and the ASEAN Economic Community (AEC), According to the Heritage Foundation's Index of Economic Freedom, the indices of ASEAN countries were divergent. Singapore has the highest investment freedom among ASEAN countries. Singapore was only one country which has been defined as free level. The moderately free level has involved Malaysia, Brunei, Indonesia, Thailand, Philippines and Vietnam. Cambodia was the mostly unfree level. Myanmar and Laos were in a repressed level (The Heritage Foundation, 2020). It can be seen that ASEAN countries are mostly in a moderately free economic environment. Economic freedom brings greater prosperity and development. The extent of economic

freedom reduced the cost of OFDI and enhanced ASEAN countries' investment attractiveness (Xiong et al. 2020).

In addition, the degree of infrastructure development was also an indirect reflection of the host country's economic environment. The quality of the host country's infrastructure had a significant impact on the higher returns available to investors (Wang & Ma, 2015). According to World Bank statistics, Singapore had the second highest density of road and rail networks in the world. However, the rest of the countries had a lower density of road and rail networks, with Indonesia, the Philippines, Laos and Cambodia all lagging behind in terms of rail and road infrastructure. All ten ASEAN countries have joined the Asian Infrastructure Investment Bank (AIIB), which could be conducive to promoting infrastructure development in ASEAN countries and further laying a solid foundation for investment cooperation between China and ASEAN countries (Xiong et al. 2020).

3.3 Cultural and geographical environment

China and ASEAN are geographically close to each other and have similar language and cultural environments. From the perspective of geographic location, ASEAN countries and China have geographic proximity. When selecting locations, investment entities generally prefer neighboring countries or regions under the same conditions. Proximity can reduce transportation time and cost. According to the geographical distance between ASEAN and China countries from Centre D'études Prospective et D'informations Internationales (CEPII) (see Table 4.1), there is a certain correlation between geographical distance and China's OFDI in ASEAN. ASEAN countries are all located in transportation channels and important nodes. Transportation channels will not only help China expand the European and African markets, but also ensure the convenience and safety of energy transportation.

Table: 3

Geographical Distance Between China and ASEAN Countries (Unit: Kilometer)

| No. | Country | Geographical Distance | No. | Country | Geographical Distance |
|--------------------------------|-----------------|-----------------------|-----|-----------|-----------------------|
| 1 | Vietnam | 4479.02 | 6 | Cambodia | 3351.08 |
| 2 | Laos | 5219.15 | 7 | Brunei | 3899.43 |
| 3 | the Philippines | 4346.93 | 8 | Malaysia | 4346.93 |
| 4 | Myanmar | 3227.84 | 9 | Singapore | 4479.02 |
| 5 | Thailand | 3297.28 | 10 | Indonesia | 5219.15 |
| Average Value : 3577.69 | | | | | |

Table 4.1 *The geographical distance between ASEAN and China countries Source:*

http://www.cepii.fr/CEPII/en/bdd_modele/bdd_modele_item.asp?id=6

From 2015-2020, China's main investment economies were ASEAN, the European Union, United States and Australia (PRC, 2020). The mean value of geographical distance between ASEAN countries and China is 3577.69km. European Union's mean value is 7883.92km. The geographical distances between China and the United States and Australia are 11143.98km and 9010.50km. The greater the geographical distance between home and host countries, the more likely it was to incur higher transaction costs, which discouraged firms from investing across borders (Krugman, 1991; Ghemawat, 2001). Chen (2020) examined the impact of geographical distance on Chinese OFDI in the 21st Century Maritime Silk Road countries and found that the relative concentration of Chinese OFDI in Southeast Asia and South Asia was due to the close geographical proximity. Therefore, ASEAN has a strong distance advantage to attract China's OFDI.

Spencer Oatey (2000), a leading British scholar, explains culture as a vague set of attitudes, beliefs, behavioral habits, underlying assumptions and values shared by the people of a country. Culture is rich in content, involving language, technology, education, religion, values, customs and many other factors. Research on the impact of cultural environment on FDI has shown that similar cultures helped multinational companies to have easier access to market information and business opportunities in host countries and to build extensive interpersonal networks through cultural similarities (Lin and Liu, 2020). China and ASEAN countries have frequent cultural and trade exchanges since ancient times due to their close geographical

proximity. However, the diverse ethnic groups and religions of the ASEAN countries were in turn very different from those of China. This has resulted in both similarities and differences between the cultures of China and ASEAN countries (Yang & Zhang, 2018). Although many studies have been conducted in the literature on cultural differences between China and ASEAN, they have mostly focused on international relations and humanistic exchanges, and less on the integration of cultural environment and economic effects (Wei et al., 2019).

Cultural was an invisible obstacle to cross-border investment and cooperation and it will cause risks to international cooperation in varying degrees (Lin & Liu, 2020). At present, Indonesia, Thailand, Malaysia, Singapore and the United States have the largest number of overseas Chinese in the world. Among the 60 million overseas Chinese in the world, about 30 million are distributed in Southeast Asian countries. This leads to the cultural similarities between some Southeast Asian countries and China. As early as 2012, Qi & Yang (2012) had demonstrated it through empirical research. It has shown that China should pay more attention to the neighboring countries and regions with relatively small geographical distance and cultural distance, so as to save the investment cost and reduce the risk of cultural integration in OFDI (Qi & Yang, 2012). Zhang (2020) measured and calculated the specific data of cultural distance between ASEAN countries and China through the formula proposed by Kogout and Singh. It once again proved that the similar culture between China and ASEAN was one of the main driving forces of China's OFDI.

4.0 CONCLUSIONS

The international economic situation was changing rapidly, and if Chinese enterprises invested blindly without fully understanding the investment environment of the host country, it made Chinese enterprises misjudge their OFDI, which ultimately led to the consequences of unrecoverable investments (Guo & Qu, 2020). Through analysis of the political, economic, cultural and geographical environment of the ten ASEAN countries, the following conclusions were drawn: from the political environment, ASEAN countries are basically politically stable. This has provided a favorable external environment for Chinese enterprises to invest in ASEAN. In terms of the economic environment, ASEAN has a huge market potential, and some countries have a high degree of economic freedom. The free economic environment provided a more open market for Chinese companies to invest in ASEAN (Xiong et al. 2020). In terms of cultural and geographical environment, the geographical distance between ASEAN countries and China is a great advantage for foreign investment. The cultural similarities and the number of Chinese people also attract Chinese companies to a certain extent to give priority to cultural factors when choosing host countries. Overall,

the investment environment in ASEAN countries has a relatively strong attraction to China.

Based on the above conclusions, the following recommendations are made. Firstly, the government could set up a website to continuously follow up the political and economic situation of countries along the Belt and Road, setting out detailed information such as the political and economic risk ratings of ASEAN countries and the average rate of return on investment in the recent past, so as to reduce the uncertainty of enterprises' OFDI, enhance their willingness to invest and facilitate them to make practical investment decisions in the light of the situation of the countries along the route (Guo & Qu, 2020). In fact, China's Ministry of Commerce has set up a "Going Global" online service platform. The platform makes a detailed assessment of the investment environment in different countries and provides an effective reference for Chinese enterprises to conduct overseas investment. Secondly, Chinese enterprises need to improve their ability to deal with various types of risks in ASEAN countries. Enterprises should carefully study the political, economic and cultural environment of ASEAN countries before undertaking foreign investment activities. Thirdly, Chinese enterprises need to deeply understand the "Belt and Road" policy and make good use of various financing platforms, such as the Silk Road Fund and the AIID, to help them solve some of their financing problems when faced with the environmental risks of the host countries (Zhai, 2016). Moreover, Chinese companies should respect the culture of the host country. Chinese enterprises could use culture as a moderating force to facilitate smooth outbound investment activities.

In 2020, the global COVID-19 pandemic has continued to spread, and international trade and investment have shrunk sharply. However, China's trade with countries along the Belt and Road has grown against the trend, and the economic and trade cooperation between ASEAN and China is particularly eye-catching. What's more noteworthy is that the Regional Comprehensive Economic Partnership (RCEP) initiated by ASEAN and jointly participated by China, Japan, South Korea, Australia and New Zealand, has signed the agreement on November 15, 2020. This marked the official launch of the free trade zone with the largest population, the largest economic and trade scale and the most potential for development in the world. At present, multilateralism and the establishment of free trade promote the emergence of open markets, so as to reduce the purchase cost (Hao, 2022). This is conducive to improving the regional trade and investment environment, which will promote trade and investment liberalization and facilitation (Yang et al. 2020). In addition, global economic uncertainty has led to global chains and supply chains becoming more vulnerable. As a result, there was a trend towards localization and regionalization of apparent industrial chains and supply chains (Zhu et al. 2020). The geographical proximity of China and ASEAN has led to frequent economic and trade cooperation and an increasing amount of mutual investment every year. There is great scope for regional industrial chain and supply chain cooperation between China and ASEAN

(Hu and Long, 2021). There are some shortcomings in this study due to the constantly changing economic environment. There are some missing data for 2019 and 2020 because of the spread of the COVID-19 pandemic. In addition, this study has not been conducted using quantitative methods and will be more in-depth in subsequent studies.

REFERENCES

- Chen, Y. Q. (2020). Analysis of the impact of multidimensional non-economic distance on Chinese outward FDI--Based on Chinese FDI data in Southeast and South Asia. *Journal of Tianjin Normal University(Social Sciences)*(04),50-57+75.
- Cui, Y. & Yu, J. P. (2017). National infrastructure quality along the Belt and Road and China's OFDI -- a study based on the panel threshold model. *World Economic and Political Forum*,2017(05):135-152.
- Dunning, H. J. (1981). *International production and multinational enterprises*. Beijing: China Social Sciences Press.
- Feng, G. L. (2013). On the reaction of enterprises to political environment. *Journal of Chifeng University (Natural Science Edition)* (20),31-32.
- Ge, Y. W. & Li, Y. J. (2020). A study on the influencing factors of location choice of China's direct investment in ASEAN -- based on spatial econometrics method. *Productivity Research*, (2), 20-24.
- Ghemawat, P. (2001). *Distance still matters--the hard reality of global expansion*, Harvard Business Review.
- Guo, G. K. & Qu, W. (2020). Suggestions for Measures to Promote China's Direct Investment in ASEAN Countries under the "Belt and Road" Initiative. *Investment and Cooperation*(12),68-69.
- Guo, Y. J. (2019). China-ASEAN's the Belt and Road Cooperation: Main progress, multiple cognition and path of promotion. *Contemporary World*, 09, 61-66. doi: 10.19422/j.cnki.ddsj.2019.09.010.
- Hao, X. (2022). Analysis of the impact of RECP on foreign direct investment by Chinese MNCS. *China Storage & Transport*(03),65-66.
- Hoang, A. D. (2019). Attracting Foreign Direct Investment in Vietnam – Opportunities. and Threats. *Journal of Investment and Management*, 8(2), 53-59. doi: 10.11648/j.jim.20190802.14.
- Hu, B. L. & Zhang, L. K. (2021). The relationship between institutional quality under the Belt and Road Initiative and China's OFDI. *Journal of Xiamen University (Philosophy and Social Sciences)*, (06),48-61.

- Hu, Y. & Long, X. (2021). Thirty years of China-ASEAN dialogue: review and prospect of economic and trade cooperation. *Peace and Development*, (05), 118-134+138.
- Huang, J. (2017). Research on Project Matchmaking Risks and Coping Strategies between China and Countries along the Belt and Road. *Journal of Beijing Technology and Business University (Social Sciences)*, 06, 14-22. doi: 10.16299/j.1009- 6116.2017.06.003.
- Johnston, L. A. (2019) The Belt and Road Initiative: What is in it for China? *Asia & The Pacific Policy Studies*, 6(1), 40-58. doi: 10.1002/app5.265.
- Kayalvizhi, P.N. &Thenmozhi, M. (2018) Does quality of innovation, culture and governance drive FDI? Evidence from emerging markets. *Emerging Markets Review*,34: 175-191.
- Krugman, P. (1991). Increasing returns and economic geography. *Journal of political economy*, 99(3), 483-499.
- Lee., C. B. (2019). The Geopolitics of Chinese Overseas Investment in Transport. Infrastructure and SWOT-PE ST Analysis Under the ‘One Belt One Road’ Initiatives. *International Commerce and Information Review*, 21(3), 87-108.
- Li, S. J., Gao, X. F. & Zhou, N. (2019). Empirical analysis on the influence of political risk on "One Belt and One Road" countries of China's direct investment. *Jianghuai Tribune*,(06):127-133.
- Li, Y. & Wang, H. J. (2018). Research on Investment Risk in Countries along the "The Belt and Road" Line. *Journal of Hebei University of Economics and Business*, 39(04), 45- 55. doi: 10.14178/j.cnki.issn1007-2101.2018.04.006.
- Lin, J. H. & Liu, Y. (2020). Institutions, culture and China's "Belt and Road" investment location - A panel threshold model-based test. *Journal of Xiamen University: Philosophy and Social Science Edition*, (3), 92-102.
- Liu, H. M., Hu, S. L., Fang, K. & He, G. Q. (2019) A comprehensive assessment of political, economic and social risks and their prevention for the countries along the Belt and Road. *Geographical Research*, 38(12), 2966-2984.
- Liu, W., Hou, L. J. & Wang, Y. S. (2019). The outlook for Myanmar's gas market and the investment suggestion for Chinese enterprises. *International Petroleum Economics*, 27(08), 90-98.
- Lou, W. Q & Pei, L. L. (2020). Comprehensive evaluation of the business environment in countries along “the Belt and Road”. *Statistics & Decision* (14),152-156. doi:10.13546/j.cnki.tjyjc.2020.14.034.
- Masron, T.A. (2017). “Relative institutional quality and FDI inflows in ASEAN countries”. *Journal of Economic Studies*, Vol. 44 No. 1, pp. 115-137. <https://doi.org/10.1108/JES-04-2015-0067>

- Ming, X. M., Yan, H. R. & Xian, G. M. (2019). The linder hypothesis for China's OFDI: A binary margin perspective. *World Economy Studies* (01),70-80+136. doi:10.13516/j.cnki.wes.2019.01.006.
- Ministry of Commerce, PRC. (2020). 2020 Statistical Bulletin of China's Outward Foreign Direct Investment. Beijing: Ministry of Commerce, PRC.
- Qi, J. H. & Yang, L. (2012). Determinants of Chinese OFDI Location: Based on the Geographical Distance and Cultural Distance Test. *Economic Geography*, 12, 40-46. doi: 10.15957/j.cnki.jjdl.2012.12.007.
- Spencer-Oatey, H. (Ed.). (2004). *Culturally speaking: Managing rapport through talk across cultures*. A&C Black.
- Tajul, A. M. (2013). Promoting intra-ASEAN FDI: The role of AFTA and AIA. *Economic Modelling*, 31, 43-48. doi: 10.1016/j.econmod.2012.11.050.
- Tian, H., Song, Q. & Huang, J. (2019). Quality of host country institution, the “Belt and Road” Initiative and China's OFDI Location Choice. *Statistics and Decision Making*, (11), 148-152.
- Tian, H., Song, Q. & Chu, T. S. (2018). Institutional factors and China's outward foreign direct investment: The adjustment effect of the Belt and Road Initiative. *Economic Geography*, 38(12):32-39.
- The Heritage Foundation.(2020). Highlights of the 2020 index of economic freedom. Wang, F. L., Si, Y. F. & Zeng, G. (2019). Impact of the Belt and Road Initiative on Chinese OFDI: A geopolitical strategic perspective. *Human geography*, 34 (01):72-79.
- Wang, J. J. & Ma, H. L. (2015). A portfolio analysis of agricultural investment environment in Central Asia based on improved Fuzzy Borda Method. *Arid Land Geography* (05),1069-1076. doi:10.13826/j.cnki.cn65-1103/x.2015.05.022.
- Wang, J. J. & Yang, B. R. (2020). The Structure Change and Development Trend of China's Investment in the District of the Belt and Road Initiative. *China Business and Market*, 34(1), 90-99. doi: 10.14089/j.cnki.cn11-3664/f.2020.01.010.
- Wang, J. B. (2018). Institutional Distance, Culture Difference and the Location Choice of China's ODI. *Asia-pacific Economic Review*, 06, 83-90. doi: 10.16407/j.cnki.1000- 6052.2018.06.011
- Wang, K. & Li, F. Y. (2018). The Location Choice of China's Direct Investment in Ten ASEAN Countries. *Statistics & Decision*, 19, 111-115. doi: 10.13546/j.cnki.tjyjc.2020.19.024.
- Wang, X. Y. (2019). Analysis of the investment environment in Arab countries under the "the Belt and Road" initiative. *Practice in Foreign Economic Relations and Trade*(05),65- 67.
- Wang, Y., Lu, J. & Tang, Z. Y. (2018). An empirical study of the determinants of China's outward foreign direct investment in the Belt and Road countries—

- From the perspective of host country's institutional environment. *Journal of International Trade*, (1):83-91
- Wei, Y., Li, H. & Niu, X. China-ASEAN cultural diversity and cultural similarity measurement and their investment effect. *World Regional Studies*, 2019,28(2):45-57
- Wu, Y. (1997). The basic scope and system of investment location theory. *Social Science Research* (05), 4-9.
- Xiong, W., Wang, J. J. & Zhu, G. H. (2020). The Belt and Road Initiative, ASEAN investment environment analysis. *Foreign Economic Relations & Trade*(05),25-27.
- Yang, Y., & Zhang, Q. (2018, October). A Review of Direct Investment between China and ASEAN countries. In 3rd International Symposium on Asian B&R Conference on International Business Cooperation (ISBCD 2018) (pp. 46-51). Atlantis Press.
- Yang, T., Chen, Z. Y. & Li, Y. B. (2020). Looking into the trend of China's OFDI in 2020. *Journal of International Economic Cooperation*(01),21-29.
- Zhai, K., Pan, Q. & Wang, W. W. (2016). Analysis on the risks and solutions of Chinese enterprises investing in Southeast Asia in the strategic context of the Belt and Road Initiative. *Collected Writings of Asia-Pacific Studies*, 2016(1):121-134.
- Zhang, L. X. (2020). Research on the Impact of Cultural and Geographical Differences on the Investment of China's Belt and Road Initiative. *Journal of Finance and Economics Theory*, 04, 42-29. doi: 10.13894/j.cnki.jfet.2020.04.005.
- Zhu, K. F., Gao, X., Yang, C. H. & Wang, S. Y. (2020). Analysis of the impact of the COVID 19 epidemic on the global production system and the risk of accelerated outward movement of our industrial chain. *Bulletin of Chinese Academy of Science*, 35(3), 283- 288.

THE IMPACT OF KNOWLEDGE TYPE AND STRATEGIC ORIENTATION ON NEW-TO-THE WORLD PRODUCT DEVELOPMENT AND PERFORMANCE

Noor Afzainiza Afendi¹, Nor Azimah Kamaruddin²

School of International Studies, Universiti Utara Malaysia, Sintok, Kedah¹, Faculty of
Business Management, Universiti Teknologi MARA, Shah Alam, Selangor²

¹Corresponding author's email: afzainiza@uum.edu.my

Abstract: Innovation provides new products with a specific basis for which they can compete with each other on the global market. Innovation can generate significant changes or destroy the existing markets or can create new markets. New products are critical to the long-term growth and success of a firm, especially in the manufacturing industry. Identifying and developing a new product is always a complex and experimental process. As such the focus of this study is to allow a deeper understanding of the importance of unstructured knowledge among new product development (NPD) team members from different functional groups. Multi-level estimation using path analysis in AMOS will be performed and, to test the possible interaction between two dimensions; moderated regression analysis will be used. Other tests also will be employed to know for other possible interactions between variables.

Keywords: new product development, innovation, resource-based view, new product performance, manufacturing

INTRODUCTION

The high-technology (high-tech) development process, influenced by the innovative process, brings products exceptional values that stimulate product market demand. Innovation provides new products with a specific basis for which they can compete with each other on the global market. Innovation can generate significant changes or destroy the existing markets or can create new markets (Tidd and Bessant, 2020).

New products are critical to the long-term growth and success of a firm. Identifying and developing a new product is always a complex and experimental process. The process of new product development is difficult and sometimes is not necessary for many companies (Cooper, 2019).

New product development (NPD) using high-tech may help firms to generate profit by empowering their major competitors in both sales volume and firms' financial performance.

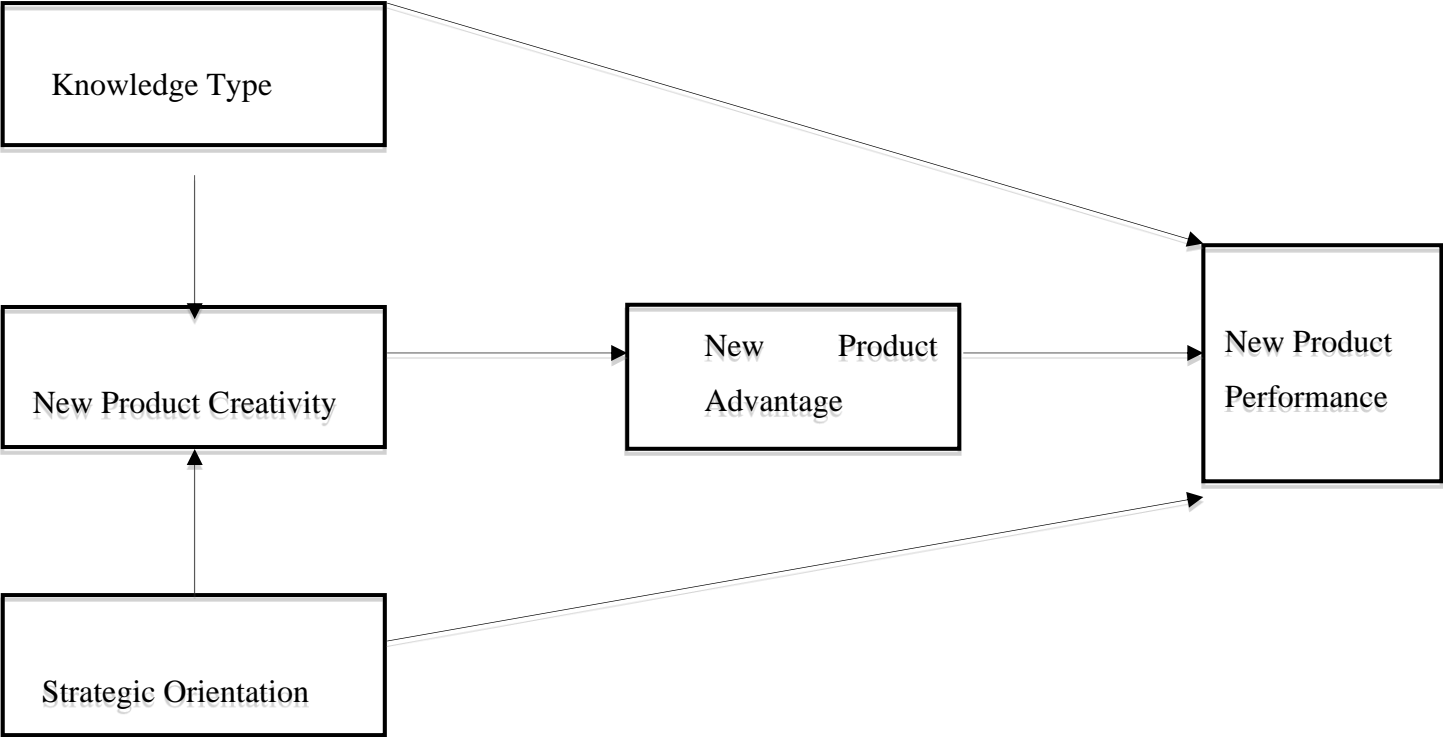
High-tech companies engaged in the development and introduction of new products and/or innovative manufacturing processes through the systematic application of scientific and technical knowledge (Mu et al., 2017).

Even though the development of high-tech products is challenging but the advantages and the power of those products are highly demanded in the market. Hu et al. (2017) have stated a high failure rate before projects can reach final commercialization, suggesting a high level of uncertainty and risk

The failure rate by Christensen et al. (2015) is high but quite optimistic as compared to the research by the Corporate Strategy Board, the failure rate for new business ventures is over 90% and it could be as high as 99%. Similar failure rates for high-tech products should be expected (Davicik and Sharma, 2016).

Many surveys have been conducted to determine the reasons for high-tech product development failures. The number of new products introduced globally is increasing every year, but most of them fail. Revolutionary new products often come from upstart players or companies outside the industry whose vision is not limited by a focus on the current business and markets. The proposed propositions are portrayed in Figure 1.

Figure 1: Conceptual framework



Proposition 1: There is a significant impact of knowledge type on the new product creativity.

Proposition 2: There is a significant impact of strategic orientation on the new product creativity.

Proposition 3: There is a significant impact of new product creativity, on the new product advantage.

Proposition 4: There is a significant impact of knowledge type, on the new product performance.

Proposition 5: There is a significant impact of strategic orientation on the new product performance.

Proposition 6: There is a significant impact of the new product advantage on the new product performance.

METHODOLOGY

This research will be using a quantitative method. Data for this study will be collected through a cross-sectional survey of firms competing in high-tech manufacturing industries in Malaysia. The sampling method to be used specifically will involve the project/product managers and marketing managers. They are suitable for this study due to their high level of involvement in the new product development process.

This study will focus on high-tech manufacturing firms operating in Malaysia and from that, the researcher will choose high-tech companies that have engaged in intense product innovation activities and that are generally characterized by short development cycle and product life cycles as well as rapid changes in industry standards (Guo et al., 2020).

This study will use a combination of primary and secondary data such as questionnaires, observation, and document analysis as the main tools for data collection. Will adopt both the open-ended and closed types of questionnaires. The questionnaires will be administered by the researcher who will then interview the respondents and record their responses.

All the data that are collected through questionnaires session will be analyzed and interpreted by using Statistical Package for Social Science (SPSS) computer software program. A correlation matrix and descriptive analysis (means and standard deviation) will be generated. Multi-level estimation using path analysis in AMOS will be performed. In addition, to test the possible interaction between the two dimensions; moderated regression analysis will be used. Other tests also will be employed to know for other possible interactions between variables.

DISCUSSION

Existing research on new product success has been mainly done in North American and European settings and research on product innovation in Malaysia is quite limited even by the local scholars due to the short history of new product development in Malaysia. In particular, investigating this issue is important for practitioners when Asian and Western companies are increasingly competing in the same, global marketplace. Companies located in countries that are developing may show different results.

CONCLUSION

This study will provide worthy contributions and important guidelines for high-technology firm managers to consider. First, it will allow a deeper understanding of the importance of unstructured knowledge among NPD team members from different functional groups. Managers will learn to understand the necessity of managing diverse, distinctive, and wide range of knowledge to enhance both new product novelty and meaningfulness. Second, this study will suggest that managers promote which strategic orientation dimensions the best to be used for business practices. Third, managers will understand what the positive or negative impacts of type of knowledge on firms are. Indeed, the future findings will serve as a starting point to build evidence for the managers to stress which area they need to pay more attention in order to introduce creative products that create a competitive advantage.

REFERENCES

- CHRISTENSEN, C. M., RAYNOR, M. E. & MCDONALD, R. J. H. B. R. 2015. What is disruptive innovation. 93, 44-53.
- COOPER, R. G. 2019. The drivers of success in new-product development. *Industrial Marketing Management*, 76, 36-47.
- DAVCIK, N. S. & SHARMA, P. 2016. Marketing resources, performance, and competitive advantage: A review and future research directions. *Journal of Business Research*, 69, 5547-5552.
- GUO, J., ZHOU, B., ZHANG, H., HU, C. & SONG, M. 2020. Does strategic planning help firms translate slack resources into better performance? *Journal of Management & Organization*, 26, 395-407.
- HU, Y., MCNAMARA, P. & PIASKOWSKA, D. 2017. Project suspensions and failures in new product development: Returns for entrepreneurial firms in co-development alliances. *Journal of Product Innovation Management*, 34, 35-59.
- MU, J., THOMAS, E., PENG, G. & DI BENEDETTO, A. 2017. Strategic orientation and new product development performance: The role of networking capability and networking ability. *Industrial Marketing Management*, 64, 187-201.
- TIDD, J. & BESSANT, J. R. 2020. *Managing innovation: integrating technological, market and organizational change*, John Wiley & Sons.

PART IX: SOCIAL STUDIES/STRATEGIC STUDIES

THE TRANSFORMATION OF MALAYSIA'S DEFENSE POLICY SINCE INDEPENDENCE UNTIL TUN MAHATHIR'S ERA (1957-2003)

Rodziah Binti Md Zain , Mohamad Faisol Keling Rusnawati binti Ismail, Nor Azura binti A Rahman

School of International Studies, College of Law, Government and International Studies, University Utara Malaysia

E-mail Affiliation¹ rodzyah@uum.edu.my

Abstracts: The National Defense Policy reflects the desire of every country to defend its strategic interests and to preserve national security. It is a manifestation of the goal of protecting the security and strategic interests of a country. In the Malaysian context, the three main thrusts are the thrusts of the Malaysian Defense Policy namely the national strategic importance, defense principles and defense concepts. There were three major changes in the Malaysian Defense Policy that began with the era of Tunku Abdul Rahman (1957-1970), Tun Razak / Tun Hussein Onn (1970-1980) and Tun Mahathir era (1981-2003). The Tunku Abdul Rahman era 1957 until 1970 was pro-western (dependency). During the reign of Tun Razak in 1970 to 1976 and Tun Hussein Onn in 1976 to 1980, the defense policy changed to Neutrality (neutrality). In contrast to the Mahathir era administration, his defense base tends to form self-reliance. The change of Mahathir's defense policy can be seen in the Procurement of his weaponry that has affected Malaysia as a developing country that is so vocal and bold to speak. In the international ring, his voice is so echoed to voice the aspirations of the Third World and the commitment shown above the other leaders. Self-reliance under Tun Mahathir's administration made Malaysia's defense aspect more modern until Tun Mahathir became the source of reference and attention throughout the world, especially the Third World.

Key words: Defense, Security, Strategic, dependency, neutrality and Self-Reliance

1.0 Introduction

Since independence, the country's defense approach has undergone change after change in order to ensure relevant defense transformation and Malaysia's security. This defense transformation is for the security and defense of this country. In order to guarantee Malaysia's security, in 1948 until 1960, Malaysia supported Britain in terms of defense. The defense approach is based on the country's foreign policy and reliance on the policies practiced by the colonialists, especially the British. Therefore, the Anglo Malayan Defense Arrangement (AMDA) was established on 12 October 1957 with the cooperation of Britain so that Malaysia's security is protected and it became the core of British Defense Policy support for Malaya. Malaya at that time was in the transition process of independence and was still dependent on the British government. This dependence is because Malaya had just become independent, was still young and at that time the country was facing the communist threat. Malaysia should defend the country from any form of threat. The policy taken is to defend national security and interests from expected threats, whether internal threats or external threats, as well as appropriate actions to be taken against such threats. Security in the context of Malaysia, and as a country that is still new and developing, the 'survival' of a country is important to maintain

the country's existence because the issue of security is interrelated and also involves questions related to unity and socio-economic and political stability in addition to Malaysia's resilience in maintaining its entity.

2.0 Background

Current international and regional developments have shown a scenario of new challenges and uncertainties from the point of view of threats to national defense. Various forms of threats, challenges and opportunities arise as a result of the global and regional strategic environment that is constantly changing and uncertain, causing instability in the region and inviting major powers to establish a foothold and shape the direction of national security.

The instability of the region can invite the presence of big powers and this will open up opportunities and space for them to interfere in the internal affairs of ASEAN countries. For this reason, agreement and cooperation between countries is very important for mutual security and peace. The establishment of the Association of Southeast Asian Nations (ASEAN) is a platform established to create regional peace and stability based on justice, compliance with the law and accepting the principles of the United Nations Charter. According to Dr. Mahathir, ASEAN and ZOPFAN (Free and Neutral Peace Zone) are the main medium as a regional interest to forge a fairer partnership with external powers to strengthen regional stability and promote economic development

The modernization of Malaysia's ATM is influenced by strategic environmental factors which the international, regional and domestic environment of Malaysia itself has influenced Malaysia to prepare the best defense system in protecting the security and sovereignty of the country. The development of threats at the international, regional and internal levels can threaten the security of the country. Issues involving border disputes and aggression, crises that have the potential to trigger conflict and non-traditional threats have become factors that influence Malaysia to modernize its defense forces as stated by Thomas R. Dye in his book, *Understanding Public Policy*, p. 196 which is national defense as the direction and objective of the government chosen to defend independence, national sovereignty and national interests from internal and external threats.

The National Defense Policy (DPN) that has been outlined which covers the principles of defense for the national interest must be defended in any way. Malaysia's national defense policy reflects the country's desire to defend its strategic interests and preserve national security. The defense policy outlines three main foundations, namely the strategic interests of the country, the principles of defense and the concept of defense. It emphasizes the need to maintain a stable and peaceful environment in the country's strategic interests. In the context of national defense, the government has determined that the main objective of the National Defense Policy (NDP) is to protect and defend Malaysia's interests based on national sovereignty, territorial integrity and economic well-being. Therefore, the area of national interest or 'area of national interests' is the main agenda of the policy. This area includes the core area that covers the mainland of Peninsular Malaysia, Sabah and Sarawak as well as

national waters. No exception is Malaysia's airspace, the Exclusive Economic Zone (ZEE) area and the border of the country's continental shelf, which is rich in various raw material resources such as oil and natural gas resources as well as fishery resources which are not only among Malaysia's main economic resources but also contribute to the development of Malaysia. The area of national interest also includes the area of strategic waterways and airspace that connects Peninsular Malaysia with Sabah and Sarawak as well as the Straits of Malacca because it is the entrance and exit route and is one of the most strategic maritime routes in the world. The country's growing trade relations, the existence of new markets for its products, increased foreign investment and the state's takeover of private companies that have interests around the world, have made the country's interests reach outside from the immediate and regional areas. Based on such a situation, it is in the country's interest to ensure that world peace is maintained.

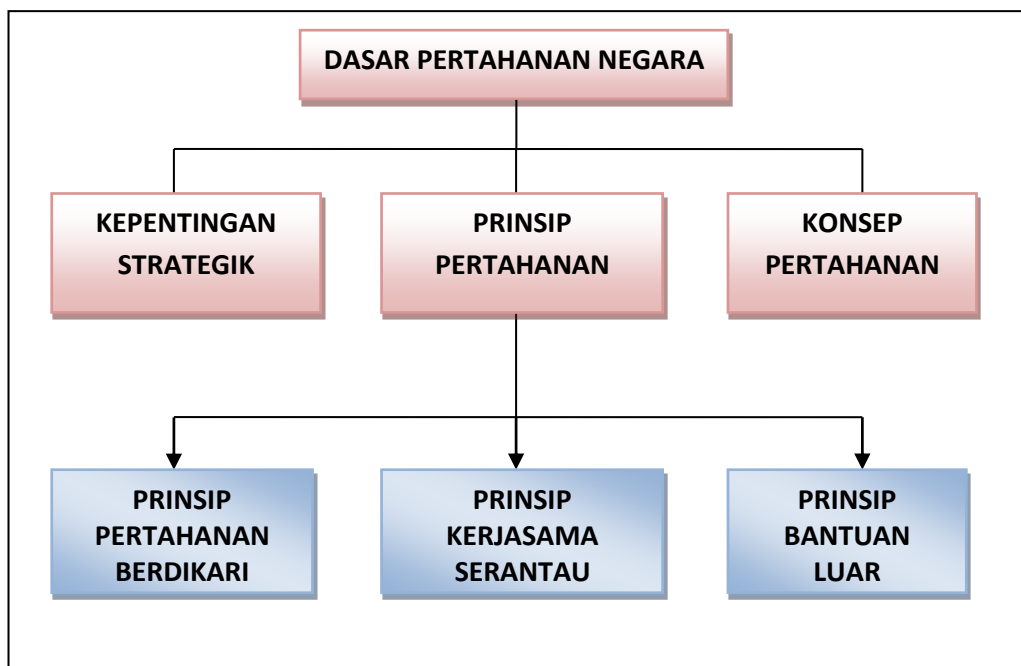


Figure 1: Malaysia's National Defense Policy. Adapted from Defense Malaysia: Towards an Independent Defense. Kuala Lumpur: Ministry of Defence. Page 52.

For Malaysia, as a country that has gone through various experiences of war starting from the era of foreign colonial invasion, world war, communist terrorism, and even confrontation, Malaysia greatly appreciates the value of freedom and peace that is being experienced. Therefore, all ATM development and modernization programs are aimed at defending the values of national security and independence.

Since independence, the defense policy has undergone changes, according to the current situation in accordance with the change in leadership. This transformation (change) is evident in every era of the ruling prime minister.

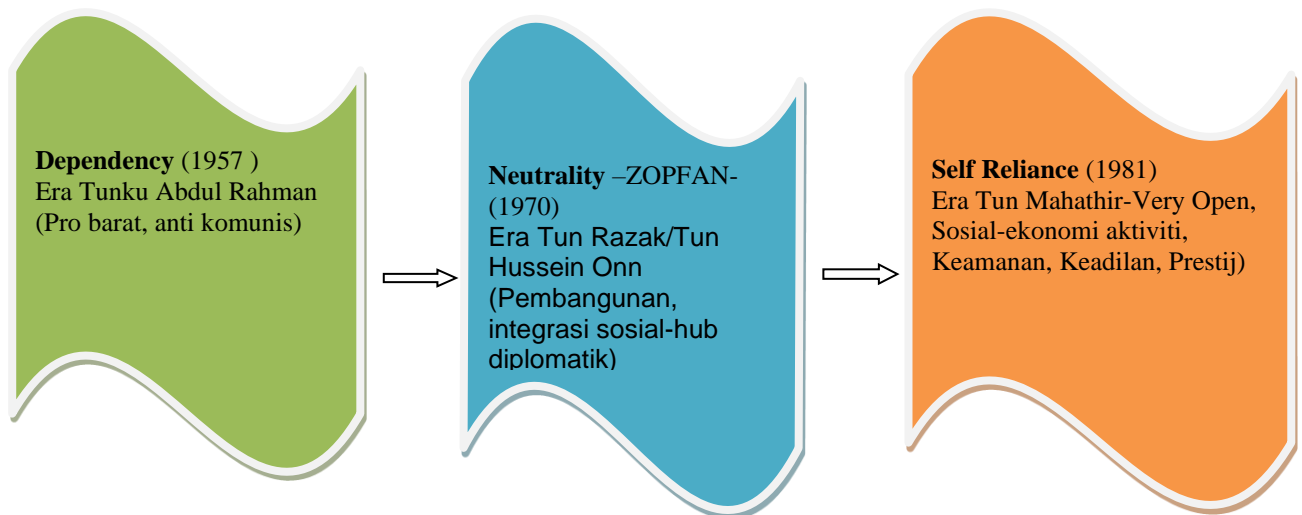
3.0 Method

This section explains and discusses the study design, data collection and data analysis. Research methodology is all the steps and rules and procedures taken to achieve all research goals and objectives. Therefore, this section will discuss how the research process was carried

out. This paper uses qualitative methods with an emphasis on document and library research methods. In general, this study is an exploratory study from primary sources and analyzes official documents, particularly related to defense policy, inventories, official reports, official statements involving the government and the Ministry of Defense and the Malaysian Armed Forces. This study is qualitative, which means that any research that produces research findings is not through statistical procedures or calculations.

4.0 Findings and Discussion

The paper begins by explaining the background of Malaysia's defense policy, and the transformation of Malaysia's defense from Dependency, Neutrality and Self Reliance based on the government of the Prime Minister of Malaysia until Tun Mahathir 1981-2003. This classification is explained through the following diagram in order to facilitate the discussion made.



National Defense Policy Transformation from 1957 to 2003 from dependency, neutrality and self reliance

The above classification is sketched in the form of a diagram to facilitate the explanation of the development of the policy at that time, namely dependency and neutrality in the era of Tunku Abdul Rahman, Tun Abdul Razak and Tun Hussein Onn. While during the era of Dr. Mahathir, the development of the policy is self-reliance. During 1957 to 1980, the purchase of defense assets was horizontal only and different during Tun Mahathir's era (1981-2003) which was upward. According to Kogila Balakrisnan, the rapid modernization of ATMs has been developed since 1981, during Tun Mahathir's era. Zulkairil Zainuddin (2004) also explained that the ATM modernization process was rapidly developed by the government in the Eighth Malaysia Plan (RMK 8) and the Ninth Malaysia Plan (RMK 9) which is also in the administration of Dr. Mahathir Mohamad.

4.1 Tunku Abdul Rahman 1957-1970 (Dependency)

The Defense Policy designed by the Prime Minister since independence has influenced the form of defense policy practiced. Malaya during the independence transition process was still

dependent on the British government. Tunku Abdul Rahman's personality which is so liked by the West has encouraged him to establish close relations with Western countries. From 1957 until the end of the Tunku's time, the Tunku emphasized pro-western and anti-communist attitudes. This dependence is because Malaya was newly independent, still young and at that time the country faced the communist threat. Therefore, Tunku's policy at that time was pro-west and anti-communist. The British have played a big role in the matter of national defense. This dependency was clearly evident when Malaya signed a defense agreement with Britain in October 1957. This agreement allowed British, Australian and New Zealand troops to be stationed in Malaya to counter the rebellion of the Communist Party of Malaya (PKM). The Alliance Government under the rule of Tunku Abdul Rahman prioritized relations with the west (pro-west) especially the British and only established diplomatic relations with non-communist countries such as Britain, Indonesia, Australia, Thailand, India and the Philippines and joined the Commonwealth of Nations British Colony). During the Tunku era, Tunku's Defense Policy was in the form of dependency and was the norm for newly born countries as stated by Muhammad Ayob which is:

This is because in the 1950s and 1960s, the average Southeast Asian country was a country that had just been 'born' after gaining independence from the colonial powers. Due to the young age of Southeast Asian countries, these countries are also facing internal political instability, facing ethnic conflicts, unity problems and weak security and defense systems.'

Establishing relations and defense agreements with Britain, receiving defense aid from the West and anti-communist policies are manifestations of pro-Western attitudes. AMDA (Anglo Malayan Defense Agreement) is a defense and military aid agreement from the West. Through this agreement, Britain has a commitment to protect Malaya from any foreign threat and will train and develop the Malayan military.

4.2 Tun Abdul Razak 1970-1976 (Neutrality)

When the reins of government were mandated to Tun Abdul Razak, the Second Prime Minister (1970-1976), the defense approach changed from dependency to neutrality. This is because the communists are still a threat, causing Malaysia to take careful steps and not favor any country in establishing relations with foreign countries. Malaysia at that time still relied on western powers such as the British as an effort to deal with the communist threat. Tun Abdul Razak has taken a neutral approach in his administration in this country by establishing and expanding friendship between countries regardless of the ideology or beliefs of other countries. Tun Abdul Razak's first visit when he was the Second Prime Minister in introducing Malaysia's policy of neutrality at the time was to Beijing, China. His next visits are to countries in Latin America, Asia Pacific and Central Timor. In addition, during Tun Abdul Razak's era, Malaysia was also a member of the Organization of the Conference of Islamic Nations (OIC) and the Association of Non-Aligned Nations (NAM) for the sake of national cooperation.

Tun Abdul Razak stated that this approach of neutrality is in line with the international will which is a necessity and an example to be followed in all corners of the world as in the message of his speech in the Malaysia Day message which is:

"We have to a shift in foreign policy as a tool to keep peace with the trend of events in the world.."...

4.3 Tun Hussein Onn 1976-1981 (Neutrality)

After Tun Abdul Razak died, the era of the Third Prime Minister Tun Hussein Onn (1976-1981) began. At a time when all countries are dealing with a tense world situation due to differences of opinion and ideology, Malaysia has taken positive and proactive steps by strengthening its national policy while maintaining neutrality with countries in conflict. Tun Hussein Onn's approach did not change much with Tun Abdul Razak's approach in Malaysian politics at the time, as was the speech in the UMNO General Assembly in 1977 which stated that:

"In the implementation of the policy of neutrality and independent foreign policy, we always extend a hand of friendship to all countries that wish to be friends with us, regardless of their government system or political ideology, unless they are willing to recognize our independence and sovereignty and not involve themselves in in the affairs of our country".

At this time, Malaysia also increased its spending on armaments with an increase of 56 percent (%) in 1980. Malaysia has purchased as many as 80 additional Skyhawk aircraft and increased its armed forces to increase the size of the army including having entered into defense cooperation with four other countries in the Five Alliance Defense Agreement (Five Power Defense Arrangements) (FPDA) defense cooperation between countries namely Malaysia, Singapore, Britain, Australia and New Zealand. This is stated in Gordon P. Means' book explaining the increase in national defense and security.

In reaction to these new power realities in South-East Asia, Malaysia increased its expenditure for its armed force by 56 per cent in the 1980 parliamentary session, and also arranged for the purchase of 80 additional Skyhawk planes and the long-range increase of its armed forces to include a reserve force that would by 1990 be three times the size of the standing army. At the same time, Malaysia re-emphasized its mutual security arrangements which were provided by the Five Power Defense Pact between Malaysia, Singapore, Britain, Australia and New Zealand.

In Tun Hussein's statement in his speech at the ASEAN Summit.

“ I would ensure that the Malaysian people and government would contribute more to strengthening and ultimately the success of ASEAN”..

The ASEAN Association has agreed to make the region a region free from superpower competition. As a result, the concept of Zone of Peace, Freedom and Neutrality (ZOPFAN) was agreed upon by all ASEAN member countries. In addition, all ASEAN countries have also agreed to prevent this region from becoming a place of nuclear energy competition and all member countries have agreed to accept the concept of a Southeast Asia Nuclear Weapons Free Zone (SEANWFZ). In addition to each member of Southeast Asia being able to focus on

ASEAN, Tun Hussein Onn also strives to improve the relationship between Malaysia and China that was pioneered by Tun Abdul Razak.

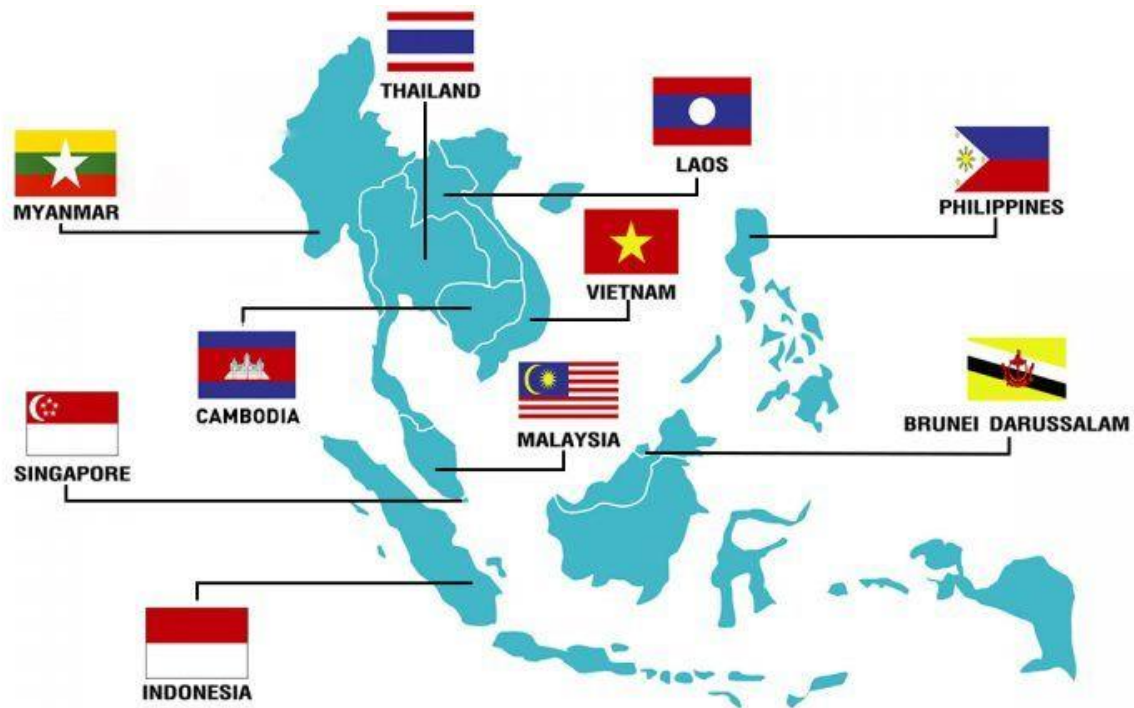


Diagram of ASEAN Countries

The positive rationale is to provide a clear understanding of the tense and conflictual political situation in the Southeast Asian region. In addition, good relations are also aimed at reducing the potential threat of China as a communist country while requesting that the Chinese country can stop the channeling of aid to the Malayan Communist Party in Malaysia.

4.5 Tun Mahathir Mohamad 1981-2003 (Self-Reliance)

During the reign of the Fourth Prime Minister, Era Dr. Mahathir Mohamad (1981-2003), Defense Policy is inclined to form Self Reliance. Dr Mahathir's administration has witnessed that he is very strict in all matters. He is an authoritative, respected, charismatic leader who successfully pushed the country to the international stage, so that Malaysia is not only admired but also respected. During the beginning of his administration as Prime Minister, he was very firm with Malaysia's stance on the importance of protecting the environment where the need to protect Antarctica as a common world heritage site needs to be agreed upon by all parties. Dr. Mahathir at the beginning of the administration also took a proactive approach in fighting the issue of Apartheid in South Africa in addition to fighting for the stability of the land of Palestine. Before Tun Mahathir's administration, Malaysia's policy was to make the West a role-model in terms of administration. In Mahathir's era, he made a drastic and unique shift by taking bold steps, in addition to the western bloc still continuing relations, Dr. Mahathir also made the East (including China and Soviet allies) as a role-model. This is a very real reform in Malaysia's government and attracts the attention of the world, especially the West.

The development of Defense Policy during the Mahathir era has had a great impact on the country. Dr. Mahathir continues to have good relations with all countries. He has made dominant and significant shifts and reforms by making the Eastern bloc a role model. In terms of weaponry and defense during the administration before Dr. Mahathir, for example, the purchase of defense assets was from the Western powers instead in the era of Dr. Mahathir, he has started and has bought from Russia that is from the East. Malaysia is the first Southeast Asian country to buy Sukoi from Russia. K.S Dillon (2009) stated that Dr. Mahathir has made a dominant change to Malaysia's position by introducing the Look East Policy, in addition to putting the slogan Buy British Last as a response to Malaysia's position that does not support the Commonwealth of Nations organizations that are seen as not helping its own members.

K.S Dillon also stated that Dr. Mahathir no longer sees the Western world as an example or model for Malaysia because Dr. Mahathir thought that the West at that time had already begun to fall. The opinion expressed by Zainuddin Maidin (1994), also states why Dr. Mahathir no longer looks up to Western countries because Dr. Mahathir thinks that the attitude of the West that likes to exploit the resources available in Malaysia and the attitude of the West that practices a 'double standard' towards Third World countries. The idiosyncratic and personal attitude of Dr. Mahathir's opinionated, decisive, courageous and outspoken attitude made him admired not only by Third World countries, but the western and eastern blocs also admired Tun Mahathir's rule, making Malaysia famous on the international stage.

5.0 Conclusion

The reform and development of DPN in the transformation of defense from dependency to neutrality and then change to self-reliance clearly proves the maturity of Malaysia which is committed to defend its strategic interests in order to preserve the sovereignty, independence and integrity of Malaysia. Since the independence of Malaysia in 1957 until the era of Dr. Mahathir (1981-2003) was a period of quite drastic changes and development of defense policy for a small country that lacked everything now 'gah' to compete equally in the international arena. From a country that depends on natural resources to becoming one of the Asian Tiger economic powers and successfully weathering the 1997 Asian Financial Crisis, the country of Malaysia is admired and the subject of public attention. Malaysia is very famous on the international stage when under the administration of Dr. Mahathir and become a role model for Third World Countries from various angles including changes in modernizing the Malaysian Armed Forces (ATM) and defense in order to bring Malaysia to glory.

References

- Abdullah Ahmad Badawi (1996). Malaysia Foreign Policy Towards Vision 2020. Kuala Lumpur. 13-34
- Abdul Razak Baginda. (2009) Malaysia's Defence & Security Since 1957 (1997). Malaysian Strategic Research Centre

- Ahmad Mahdzan Ayob. *Kaedah Penyelidikan Sosioekonomi*. Kuala Lumpur: Dewan Bahasa dan Pustaka. 1997, 24.
- Azman Abdul Razak (2009). *Konsep Pertahanan Menyeluruh Di Malaysia: Cabaran Dan Masa Depan Angkatan Tentera Darat*. *Tesis*. Fakulti Sastera Dan Sains Sosial Universiti Malaya. 20-25 cegah 24-27
- Bilveer Singh (1993). *ASEAN Arms Procurement Challenges of The Security Dillema in The Post Cold War Era*. *Comparative Strategy*. Bil 12. 199-123
- Chandran Jeshrun (1980). *Malaysia Defence Policy: A Study of Parliaments Attitudes: 1963-1974*. Kuala Lumpur: Universiti Malaya. 11
- Chandran Jeshrun (2008). *Malaysia fifty Years of Diplomacy 1957-2007*. Singapore: Talisman Publishing Pte Ltd.
- Chang Pao-Min. (1990). *A New Scramble For The South China Sea Islands*. *Contemporary Southeast Asia*. Vol.12 (1). 20-39.
- Faridah Jaafar.2007. *Perdana Menteri dan Dasar Luar Malaysia 1957-2005*. Penerbit Universiti Malaya. Kuala Lumpur. 34.
- Nathan, K. (1995). *Vision 2020 And Malaysian Foreign Policy: Strategic Evolution and The Mahathir Impact*. *Southeast Asian Affairs*, 220-237. Retrieved December 16, 2020, From [Http://Www.Jstor.Org/Stable/27912128](http://www.jstor.org/stable/27912128)
- Thomas R. Dye, *Understanding Public Policy*, New Jersey: Prentice Hall, 1998, hlm. 196
- Chandran Jeshurun (1975). *The Growth of The Malaysian Armed Forces 1963-1973: Some Foreign Press Reactions*. *Occasional Paper*. No 25. Singapore. Institute of Southeast Asian Studies. 22-37
- Mahathir Mohamad (1991). *Malaysia: The Way Foward*. *Kertas Kerja*. Persidangan The Malaysian Bussiness Council. 1-23
- K. Ratnam. 1998. *Sejarah Kertas 940/2 Malaysia, Asia tenggara, Asia Selatan dan Asia Timur*. Pustaka Sarjana Sdn. Bhd: The Commercial Press. : 206.
- Mohammed Ayoob, *The Third World security predicament: State making, regional conflict and the international system*, Lynne Rienner, Boulder, 1995. hlm 5.
- Makalah Penerangan.1975. *Jabatan Penerangan Malaysia*. 86.
- Gordon P Means.1991. *Malaysian Politics the Second Generation*.Oxford University Press: Singapore. 77.
- Gordon P Means.1991. *Malaysian Politics the Second Generation*.Oxford University Press:Singapore. 78.
- Mardiana Nordin dan Hasnah Husin.2011.*Pengajian Malaysia*.Edisi Keempat.Oxford Fajar.364.

Utusan Melayu.1978.:38.

Pathmanathan. M. 1984. *Malaysia and World Affairs. The Mahadthir Impact on Foreign Policy*. Kuala Lumpur: Easview Production. 52.

K.S. Dillon. 2009. *Malaysia Foreign Policy in the Mahathir Era, 1957-2003. Dilemas of Development*.Singapore.: NUS Press. 22.

Zainuddin Maidin. 1994. *Mahathir Di Sebalik Tabir*. Kuala Lumpur: Utusan Publication. 51.

STRUCTURE, ACTOR AND CHRONOLOGY OF THE PEACE PROCESS BETWEEN PALESTINE-ISRAEL

Rusnawati Binti Ismail¹, Che Mohd Aziz Bin Yaacob², Rodziah Md. Zain³
,Ratnaria Binti Wahid⁴

School of International Studies, College of Law, Government and International
Studies, University Utara Malaysia

E-mail Affiliation¹: rusnawati@uum.edu.my

Abstract: The Israeli-Palestinian conflict has yet to find an end to the ongoing war. The intervention of a third party, the World Superpower, the United States, further complicates this conflict. But various efforts have been made to stop and clarify the relationship between Palestine and Israel. This paper aims to examine the differences between short-term and long-term definitions of mediation success and then explain. Based on the constraints associated with short-term definitions of successful mediation, long-term measures should be used to achieve research objectives. The question of how to measure long-term success in mediation is then effectively addressed. Long lasting peace and tranquility indicate the success of long-term mediation. This paper also identifies the implications for the Palestinian people after the establishment of the State of Israel. The cruelty and violence perpetrated by the Jews has had many negative effects on the Palestinian people. Finally, this paper will analyze what solutions have been used and identify appropriate solution approaches to deal with this conflict. Conflicts can be contained if there is a solid commitment from the international community. With that, it is necessary to make efforts to assess the extent to which the conflicts that occur can be dealt with and then try to identify efforts to ensure that the conflicts can be resolved while also being able to create a stable situation in the region in order to continue to guarantee the stability of the world community as a whole

Keywords: Israeli-Palestinian conflict; mediation; international community; intervention.

INTRODUCTION

A conflict needs to be understood and analyzed first before planning and looking for a solution that is accurate and suitable for the conflict situation. In this regard, what is the structure, who are the actors and the chronology of the peace process that has been implemented in the search for peace between Palestine and Israel. This paper also analyzes concepts/approaches that can be used by mediators in dealing with the Palestinian-Israeli conflict. This research explain the analysis obtained based on the diplomatic efforts that have been implemented by the mediators involved and see its effectiveness in dealing with the Palestinian-Israeli conflict.

Therefore, every effort made by the involved parties is evaluated for its success and weaknesses which will be the next direction in the efforts of reconciliation through diplomacy by the other parties. The way and mediators involved in diplomatic efforts are analyzed to find the best solution in dealing with this long-standing conflict in West Asia. Analysis of the mediator's role and the impact of his direct actions on Israel and Palestine, especially during the Oslo

Peace Accords signed on September 13, 1993. The overall implications will pave the way for further peace efforts. This has brought drastic changes to both sides and West Asia in general.

The peace agreement has given great implications to the two warring parties in their relationship. The peace agreement that has been signed has had an impact on both sides, whether Palestine or Israel. This Peace Agreement is also seen to have been used as a basis for evaluating the relationship between the two countries in the future. The violation of the peace agreement by both sides has worsened the situation of the conflict between the two sides. The situation witnessed prolonged brutality and violence that cost many lives. As a complement to the analysis of this peace agreement, the researcher also paid attention to the development of the conflict after the peace agreement was signed to see how successful it was in reducing conflict and conflict.

1.1 Structure

The Palestinian-Israeli conflict is fundamental because it revolves around a basic structure based on historical factors and focused on Jerusalem. This conflict is co-existent because there is a peace agreement that has recognized the existence of Israel and Israel gives autonomous power to the PNA to establish its own government in the Gaza Strip and the West Bank.

1.2 Actors Involved

The Oslo peace accords of 1993 have been successfully signed and may open the door to further peace efforts. The Oslo agreement is seen as different from previous reconciliation agreement plans because it is expected to bring both parties to sit at the same table and meet face to face to resolve issues that have long been wanted to be discussed.

This declaration was agreed in Oslo, Norway on August 20, 1993 and then officially signed in Washington on September 13, 1993 between Mahmoud Abbas representing the Palestine Liberation Organization (PLO) and Shimon Perez representing Israel. This agreement was also witnessed by Warren Christopher from the United States and Andre Kozyrev from Russia. This ceremony was also attended by Bill Clinton, the President of the United States and the Prime Minister of Israel, Yitzhak Rabin together with the Chairman of the Palestine Liberation Organization (PLO), Yasser Arafat. This agreement is the beginning of Arabs and Israelis who want peace and end all conflicts and wars that occur (Mahler, 1990).

Most of these armed intruders are considered minors. "Since they have 999 years or less, this simple armed conflict can be considered a war." In 2007 there was a record number since 1957 (Harbom, Melander, Wallenstein, and battle-related deaths each year; when 1,000 or more deaths were reported in four wars fought worldwide. Interestingly, 2007 was also the fourth year in which there were no small war or armed conflict between countries (Harbom, Melander, Wallenstein, 2008: 698).

Although the number of deaths associated with this battle distinguishes small armed conflict from war. Apart from the direct deaths related to these battles are some other costs related to war, (Collier, 2007: 210) Precisely, civil war can be seen as "evolution in the opposite direction" (Collier et al., 2003). In particular, it creates a civil war that has negative effects at various levels: domestically, regionally and globally (Collier et al, 2003: 48.9). By examining some of these effects, we begin to realize the enormous costs associated with war. The civil

war caused many negative influences in the country. Leicolder (2001: 697-8) describes the special profile of the country after the war.

1.3 Chronology of The Peace Process Between Palestine-Israel

As a small region within a state, Palestine has played an important role in the ancient and modern history of the Middle East. The history of Palestine is associated with frequent political conflicts and forced land seizures because of its importance to some of the world's major religions, and because Palestine is at a very valuable geographic crossroads between Africa and Asia (Harms, 2017). The Arabs call this region home to the people known as Palestine, and the Palestinians have a strong desire to create a free and independent state in this contested region of the world. It is said that the word Palestine comes from the Greek word, Philistia, which comes from a description of the region by an Ancient Greek writer in the 12th century BC.

From 1517 to 1917, the Ottoman Empire ruled most of the region. When World War I ended in 1918, the British took control of Palestine. The League of Nations issued the British Mandate for Palestine which was a document that gave British administrative control over the territory and included provisions for establishing a Jewish homeland in Palestine which initially took place in 1923. Since the fall of the Ottoman Empire in World War I until 1948, Palestine usually refers to the geographical region located between the Mediterranean Sea and the Jordan River (Haryanto, 2021).

Previously, the Arabs considered this region as belonging to the Palestinian people since the beginning of the 20th century. Most of this land is now considered modern day Israel. Today, Palestine theoretically includes the West Bank, which is the territory between Israel and Jordan and the Gaza Strip, which borders Israel and Egypt. However, control over this territory is a complex and evolving situation. There is no international consensus on borders, and most of the territory claimed by the Palestinians has been occupied by Israel for years. More than 135 UN member states recognize Palestine as an independent state, but not Israel and several other countries, including the United States.

Scholars believe the name Palestine comes from the word "Philistia", which refers to the Philistines who occupied part of the region in the 12th century BC. Throughout history, Palestine has been ruled by many groups (Assyrians, Babylonians, Persians, Greeks, Romans, Arabs, Fatimids, Seljuk Turks, Crusaders and Egyptians) (Royalmarine, 2021).

In 1947, after more than twenty years of British rule, the UN proposed a plan to divide Palestine into two parts, an independent Jewish state and an independent Arab state with the City of Jerusalem, claimed as the capital by Palestinian Jews and Arabs, to be international territory with special status. Jewish leaders accepted the plan, but the majority of Palestinian Arabs who had been actively fighting British and Jewish interests in the region since the 1920s strongly opposed it. This group of Arabs is not satisfied and thinks that they represent the majority of the population and should be given more territory. They began to act to channel discontent by forming volunteer armies throughout Palestine.

In May 1948, Britain withdrew from Palestine and Israel declared itself an independent country, which showed their willingness to implement the Partition Plan (Rusli. H, 2021). As a result, neighboring Arab armies moved in to prevent the establishment of the state of Israel.

The Arab-Israeli War of 1948 involved the country of Israel and five other Arab countries namely Jordan, Iraq, Syria, Egypt and Lebanon. By the end of the war in July 1949, Israel controlled more than two-thirds of the former British mandate, while Jordan controlled the West Bank, Egypt and Gaza. The 1948 conflict opened a new chapter in the struggle between Palestinian Jews and Arabs, which is now a regional rivalry involving nation-states and a confusion of diplomatic, political and economic interests.

On November 29, 1947, the UN introduced a Resolution dividing the former British mandate in Palestine into Jewish and Arab states in May 1948. Under this resolution as well, the area of religious interest around Jerusalem remained under international control administered by the UN. The Palestinian Arabs did not recognize this resolution which they considered favorable to the Jews and unfair to them remaining in Jewish territory. The United States sought a middle ground by supporting the UN resolution, but also pushing for negotiations between Arabs and Jews in the Middle East.

The UN resolution sparked conflict between Jewish and Arab groups in Palestine. There were attacks by irregular groups between Palestinian Arabs affiliated with local units. Likewise there is the involvement of the Arab Liberation Army which consists of volunteers from Palestine and neighboring Arab countries. They launched attacks against Jewish cities, settlements, and armed forces. While the Jewish Forces consist of the Haganah, the underground militia of the Jewish community in Palestine, and two smaller irregular groups, the Irgun, and LEHI (Lohamei Herut Israel) see (<https://www.jewishvirtuallibrary.org/lo-x1e25-amei-x1e24-erut-israel> for more information). The original goal of the Arabs was to block the Partition Resolution and thus prevent the establishment of a Jewish state. Instead, the Jews hoped to gain control over the territories allotted to them under the Partition Plan.

Immediately after Israel declared its independence on May 14, 1948, fighting intensified as other Arab forces joined the Palestinian Arab population in attacking the former Palestinian territories. On the night of May 14, the Arabs and launched an air attack on Tel Aviv, which was resisted by the Israeli side. This action continued with the invasion of the former Palestinian mandate by Arab forces from Lebanon, Syria, Iraq, and Egypt. Saudi Arabia sent troops to fight under Egyptian command. British-trained forces from Transjordan eventually intervened in the conflict, but only in areas that had been designated as part of Arab states under the United Nations Partition Plan. After a tense initial battle, Israeli forces, under joint command, were able to ensure the success of the attack.

Although the UN brokered two cease-fires during the conflict, fighting continued until 1949. Israel and the Arab states did not reach any formal cease-fire agreements until February. Under separate agreements between Israel and its neighbors Egypt, Lebanon, Transjordan, and Syria, these bordering countries agreed to a formal ceasefire. Israel gained some territory previously given to the Palestinian Arabs based on a UN resolution in 1947. Egypt and Jordan retained control over the Gaza Strip and the West Bank, respectively. Although the United States was not directly involved in the armistice negotiations that lasted until 1967, it hoped that instability in the Middle East would not upset the international balance of power between the Soviet Union and the United States.

1.4 Israeli occupation of the West Bank and the Gaza Strip

1.4.1 Six-Day War in Gaza

The conflict between Israel and its Arab neighbors was renewed with the Six-Day War in 1967. By winning this war, Israel gained control of the Gaza Strip and the West Bank, including East Jerusalem, while the Egyptian and Jordanian armies retreated. In 1979, the territory of the Sinai Peninsula was returned to Egypt as part of a comprehensive peace agreement known as the Camp David Accords that reinforced the idea of "land for peace" as a negotiating principle, including the principle that laid the foundation for a two-state solution.

In 1987, the first intifada was launched by Palestinians living under Israeli rule. Defense Minister Yitzhak Rabin took drastic measures in an effort to suppress the Palestinian uprising. Nevertheless, the determination of the Palestinian people made him, and many other Israelis realize that lasting peace will not be achieved without recognizing and then negotiating with the Palestinian people. Although Yitzhak Shamir's Likud government accepted dialogue with the PLO in Madrid in 1991, it only happened after years of stalling and under intense pressure from the United States. In 1992 Rabin (leader of the Labor Party) was elected prime minister with a mandate to pursue peace with the PLO.

1.4.2 Oslo peace process

In the 1990s, an agreement negotiated between Israeli and Palestinian leaders in Oslo, Norway, set out a process for a gradually negotiated two-state solution. Dissatisfaction and mistrust have caused failures and delays in the process even though it initially showed progress and gave hope for reconciliation. As a result, after frustration and provocation led to the outbreak of violence in 2000, the process proved difficult to restart before coming to a virtual halt after 2008 (history. <https://www.britannica.com/topic/two-state-solution>).

METHODOLOGY

2.0 Nature of the Mediation Process

Three factors related to the nature of the mediation process that have been used for research on the durability of peace agreements are mediation time, settlement conditions, and whether the mediator is available for renegotiation after the initial agreement is signed. Some previous research examining these factors is discussed below.

2.1 Mediation Time

Timing of mediation can affect the success of mediation. More precisely, there is evidence to suggest that early mediation will make successful mediation more likely to do early mediation will result in success. Hartzell, Hoddie, and Rothschild (2001: 203) emphasize the importance of early intervention to ensure its success. In this regard, the message for third parties is clear that early intervention can reduce crime rates and can contribute to longer peace. Overall, we can conclude that early mediation is more likely to succeed and produce lasting peace.

2.2 Order of Agreement And Terms Of Settlement

Another factor to consider is settlement concerns. Are all the terms of the negotiation fair? Hampson (1996) claims that some negotiations are better than others. Hampson (1996: 217-218) argues that a good agreement has the following three characteristics:

1. An agreement made by the conflicting parties
2. Contains power-sharing provisions for winners and losers in post-election
3. They have provisions for third party mediation and renegotiation during the implementation phase

In fact, according to Hampson (1996: 219), he stated that a poorly designed agreement is bound to fail, but a well-negotiated and well-made agreement does not guarantee success because based on experience, there is always ambiguity, differences in interpretation regarding key provisions, and important and unresolved issues (or new ones) that could damage the peace process after the agreement is signed. Therefore, Hampson placed a lot of emphasis on the design of the agreement. An unpopular agreement has a better chance of surviving, but its success is not guaranteed.

Recent studies also confirm that the design of peace agreements is directly related to peace durability. For example, Fortna's (2004: 172) treatise on agreements in interstate warfare found that strong 'treaties' (eg formal and detailed, with a large peacekeeping mission, arms control provisions, confidence-building measures, and various other mechanisms included into a treaty) clearly made the peace last longer.

2.3 Ready For Re-Negotiation

The third factor related to the nature of the mediation process is whether the mediator remains open to renegotiation after the agreement is signed and whether this further negotiation increases the prospect that the agreement will last. Hampson (1996: 227) states that the mediator's role does not end when an agreement is reached because negotiations between the parties usually do not end. More specifically, the terms of the settlement are always negotiated during its implementation, and new problems have the potential to emerge, if not resolved will affect the peace process (Hampson, 1996: 181) stating that if the parties cannot solve these problems by themselves, they may need help mediator role. Although the negotiation and implementation phases of the peace process are overlapping, interrelated and mutually contradictory, the need for continuous third-party mediation in all phases of the peace process including its implementation is clearly needed (Hampson 1996: 229).

Some recent research has found that continued third-party mediation after a cease-fire agreement has been reached in an interstate war is associated with a higher risk of war recurrence (see Fortna, 2004: 195). However, Fortna (2004: 195) states, perhaps the ongoing third-party mediation and reconciliation were linked because these ceasefires were considered quite temporary even at the time, and outsiders hoped to make them last. For example, among the group of cases that Fortna (2004: 153) classified as difficult or the most difficult, those with 'moderate' agreements had peace that lasted from 74-402 months (average 224.5 months, = 3), whereas peace lasted only from 0.7-76 months in cases with 'very poor' agreement (or an average of 26.6 months, n = 4).

Another agreement related to the design of the peace agreement. there seems to be agreement in the literature that some agreements are better than others, and that the better the agreement the more likely it is to be retained. a) Different Factors or variables Impact on the success of mediation affect the durability of the agreement. b) Differences in power Between Equal Parties after the time of mediation increase the chances of successful mediation without affecting the durability of the agreement. c) Transition after the agreement is signed the agreement is more likely to fail. d) Low Conflict Intensity increases the chances of successful mediation. e) Instructional mediation strategies increase the chances of mediation success. f) High mediation experience increases the chances of successful mediation.

Overall, there is a lot of research into the success of short-term mediation. There are also many studies, however, treated separately. As there is a need for new research that considers the success of long-term mediation, such as the creation of durable peace, new connections between these bodies of literature should be considered and also to develop a new mediation model for durable peace.

RESULTS

3.0 Effects Of The 1993 Oslo Peace Agreement

With the conclusion of the PLO-Israel Peace Agreement, Palestine is in a very different situation than before. Palestine is in the process of getting its own state and no longer under the constant influence of Israel. There is a very significant effect, especially in terms of politics, for the Palestinian people who have been plagued by Israeli rule for a long time. Likewise, if seen from their socio-economic aspect. Although it is not as rapid and advanced as development in other countries, however, for a country that is in a long-lasting conflict, the peace agreement has contributed to their economic stability to some extent.

With that, it can be clearly seen the drastic changes in studying the effects of the Peace Agreement from the political and socio-economic point of view of the Palestinian community. Palestine is seen not only back on the world map but has its own administrative system and although still influenced by Israel in its administration.

3.1 Impact on Palestine

Since the establishment of the state of Israel, the Palestinian people have fought desperately to regain their homeland. However, their efforts did not yield results. With the existence of a peace agreement characterized by land for peace³⁴ has given them space to get their own country.

The result of the peace agreement has allowed the Palestinians to get the Gaza Strip and the West Bank. The status of Jerusalem will be determined in the determination stage (final status). To begin with, the Palestinians have received the Gaza Strip and Jericho City in the West. Both of these areas have been transferred under the authority of the Palestine Interim Self Government Authority (PISGA) through the agreement "The Cairo Agreement on the Gaza

³⁴ 'land for peace' means an area given in return for existing peace.

Strip and Jericho"³⁵ which was signed on May 4, 1994. Further through the 'Israel-Palestine Interim Agreement on the West Bank and the Gaza Strip'³⁶ or known as Oslo II which was signed on September 24, 1995. PISGA's powers have been expanded in stages.³⁷

With the existence of this peace agreement, autonomy has been given to the Palestinian people in the Gaza Strip and the West Bank. The Palestinians are now recognized as having their own country and for the first time have officially competed in the Olympic Games in Atlanta, USA. With that, the peace agreement is a starting point towards peace and reconciliation for both parties if each opens the door to discussions in resolving the conflict between the two parties. Jeffrey Michels has stated that the PLO-Israel peace agreement: "does prevent for the first time since the state of Israel was founded the domination of either side's claims." (Michels, 1994: 30)

Both parties have agreed to "co-existence" by dividing the disputed area between them through discussion and tolerance. It is in line with the view that the best and most appropriate way to resolve the conflict is through diplomacy between two parties (Two-State Solution) (Merle, 1994: 43).

3.2 Impact on Israel

Although the peace agreement gives more positive impact and is often given special emphasis to the Palestinian side, it cannot be denied, it also gives implications to the Israeli side. With that, the researchers also looked at the impact of this peace agreement on Israeli politics and socioeconomics. As a conquering country, Israel is seen to benefit from this peace agreement. The international community's recognition of Israel's existence has given them ample opportunity to engage freely in the international arena.

The peace agreement had a positive effect on Israel's economy where the Peace Agreement brought the Jewish state into the lucrative Middle East market, which is a trade door that has been closed since Israel was established in 1945. However, from a security point of view it is clear that the 1993 Peace Agreement cannot create peace in Israel and in Palestine. Riots and fighting broke out almost every day. Israel, acts violently against groups that are considered Islamic extremists by shooting, injuring and imprisoning opposition groups. On the other hand, Israel does not act at all and if anything, only acts within certain limits against the Jewish opposition, it is clear that injustice is happening. The hostility between these two nations still continues despite the signing of the Peace Treaty.

³⁵ 'The Middle East and North Africa 1996'. Issue 42, p. 108-112.

³⁶ Refer to 'The Peace Process' in the Journal of Palestine Studies. 1996. Volume xxv, No. 2. Issue 98. p. 123-140.

³⁷ The West Bank area has been divided into three parts, namely areas A, B and C. Through the Oslo II agreement, Areas A and B which have 5 cities (Jenin, Nablus, Ramallah, Tulkurem and Kalkiya) will be transferred to the PNC no later than 18 months from date of establishment of PNC.

3.3 Development of The Conflict After The Peace Agreement /Conflict Development After The Peace Agreement

Palestinian militants described Yasser Arafat as betraying the ideals of the Palestinian cause by accepting Israel's offer. They think that what the PLO and Yasser Arafat received is far from what they wanted all along. What Israel offers to Palestine is nothing more than the power of a Local Council. Arafat had to pay a heavy price to get the Israeli award. The PLO was forced to cancel the charter it approved in 1968 which described Israel as a 'tool of the Zionist struggle' while calling on all Arabs to help the liberation of Palestine. In 1988, the PLO House of Representatives in Algeria decided to accept UN Resolution 242 which recognized the existence of the state of Israel. Israel took a long time to respond to the decision of the PLO House of Representatives because previously Israel did not recognize the PLO as a body representing Palestinian interests. The Jews vowed to thwart the Peace Agreement while accusing their regime of betraying the original ideals of Great Israel (Ismail, 1990: 27).

The main test is still in the Middle East in the matter of solving the Palestinian problem. Clinton has proposed that Jerusalem be split into two, one for Israel and the other for the capital of an independent Palestinian state. Negotiations stalled temporarily as Israel held prime ministerial elections. But Yasser Arafat, the President of Palestine just wanted to wait for Bush to be sworn in. Of course, Bush will review everything Clinton did before resuming the peace process. If you look at the approach, maybe George W. Bush wants to reduce intervention and give more space to Palestine and Israel to determine their future.

But this time, Russia may intervene. The peace process that is happening now happens when the world is no longer bipolar. At that time the Soviet Union was collapsing, and Russia was not interested in intervening. During the Soviet era, Moscow was the balancer in the Middle East. The US is on Israel's side, while the Soviets will look after Palestinian interests. Then Palestine can continue to defend itself. But things changed with Russia under Yeltsin. This changed situation pushed Saddam to try to present Baghdad as a regional power. So when Iraq attacked Kuwait, his calculations went wrong. Moscow does not support Iraq. On the other hand, Palestine favors Iraq.

So, when the US destroyed Iraq, Palestine was pushed to the negotiating table with Israel. Although the US is a mediator between Palestine and Israel, but the tendency is more for Israel while Palestine has to stand alone. George Bush, Clinton or George W. Bush will remain with Israel. What makes the difference, if any, lies with Putin. But Russia cannot behave like the Soviets under Leonid Brezhnev. The era of a bipolar world with the US fighting against Russia is over. He just wants to prevent the US from dominating the world. So, Russia needs to ally with other countries such as China and France. If George W. Bush really wants to reduce intervention in world conflicts, while Putin wants to increase the role, then the world will witness a multi-polar atmosphere (www.geocities.com/retemedision/a2.html).

After failing to contain Israeli violence in Palestinian land, Washington finally agreed to the suggestions and insistence of the Israeli leadership when it openly rejected the leadership of Yasser Arafat. In a speech regarding his West Asia policy, President Bush said that the Palestinian people can establish an independent state on the condition that Arafat's leadership is replaced by a leader who can provide peace to Israel.

"Peace requires new leadership in Palestine, so that a Palestinian state can be established. I call on them to build and practice democracy based on tolerance and freedom. If the Palestinian people actively implement this goal, America and the world will actively support their efforts."

This rejection of Arafat's leadership was made by Bush after for several months he accused Arafat of being ineffective in curbing Palestinian violence against the Israeli civilian population. According to his close aides, Bush became increasingly frustrated with Arafat's leadership following the suicide attacks by Palestinian fighters. Since then, Bush began to decide to remove Arafat's leadership. Washington's latest decision is almost identical to the current Israeli leadership's refusal to negotiate with Arafat. While emphasizing that he will remain committed to the security of the Jewish state, Bush also said he will take a balanced approach as a mediator in the Israeli-Palestinian conflict. These latest developments do not indicate that the future of peace negotiations in West Asia will run smoothly.

Meanwhile, E-U foreign ministers at their meeting in Brussels urged Israel not to topple Arafat who also played a role in curbing terrorist networks. Sweden's Foreign Minister, Anna Lind, condemned the administration of President George W. Bush, which is clearly colluding with Israel. According to Lind, Washington's action will only harm and worsen the tension in West Asia. Washington also received pressure from Arab countries on its move to suspend relations with the Palestinian Authority. The warning will be presented by King Abdullah of Jordan during his visit to Washington. The Crown Prince of Saudi Arabia, Abdullah in an interview with the New York Times also criticized Washington's position regarding the current Israeli-Palestinian conflict. (www.tv3.com.my/news/bu/january2002/29_berita8.html).

Israel's invasion of several Palestinian territories from time to time clearly shows that Israel has failed to comply with the demarcation established through UN Resolution 1397 made in 1948. The invaded areas include the Golan Heights, the Gaza Strip and the West Bank. These areas are strategic places for Israel where most of the Israeli-Palestinian conflict is concentrated in these areas. Israel acts in this way because they do not want war and conflict to occur in Israel's territory where their territory is small and can cause great destruction to the development structure. The war continues in the land of Palestine where the Israeli army has launched a series of violent attacks on the Palestinian population and settlements resulting in the death of a large number of Palestinians.

The Palestinians and their people continue to fight against Israeli atrocities in their quest to reclaim the territories seized by Israel. Their struggle on the PLO ticket is clear to see without any advanced weapons facilities in addition to having no government of their own and only armed with stones and sticks. However, recently their struggle has been more daring by attaching explosives to their bodies and detonating them in groups of Israelis and these people are known as 'suicide fighters'. Actions by this group of fighters are believed to be masterminded by the Hamas group which exacerbates the situation. With this action, the Israelis reinforce their notion that the Palestinians are terrorists and must be fought to ensure the safety of the Israeli people. These Israeli actions have been blessed by the US itself on the anti-terror ticket. When re-evaluating Israel's actions of killing Palestinians and oppressing them, it can be categorized that Israel itself is more violent than terrorists and the international community also labels that Israel is a real international terrorist and it needs to be fought. In fact, the category of terrorists between Israel and Palestine here is a perception made by the US itself for their own benefit.

Israel's policy towards Palestine is clear, which is to antagonize Palestine in order to maintain the sovereignty of Israel in the Palestinian territories. With this policy, it is seen every day sacrificing lives on both sides. After the 911 incident in the US, Israel's policy has changed where its policy is to fight terrorism globally³⁸. This need to fight terrorism is in line with the policy set by the US that they will hunt terrorists internationally in all corners of the world. For Israel, the focus they give to fight terrorism is against the Palestinians who they consider to be terrorists. With this policy, it is logical that the Israelis have been labeled as terrorists by the majority of the international community and received strong criticism for their actions of hunting and killing Palestinians at will³⁹. This action of Israel can be concluded that they have launched a planned humanitarian crime in the land of Palestine by indirectly proving the Jewish goal to eliminate the Palestinian population in their own land by killing and oppressing them⁴⁰. This Israeli action under the leadership of Ariel Sharon has actually received the support of the world's great power, the US. This support has been used as a license by Israel on the ticket to fight terrorism against the Palestinian people.

The Palestinians and their people continue to fight against Israeli atrocities in their quest to reclaim the territories seized by Israel. Their struggle on the PLO ticket is clear to see without any advanced weapons facilities in addition to having no government of their own and only armed with stones and sticks. However, recently their struggle has been more daring by attaching explosives to their bodies and detonating them in groups of Israelis and these people are known as 'suicide fighters'. Actions by this group of fighters are believed to be masterminded by the Hamas group which exacerbates the situation. With this action, the Israelis reinforce their notion that the Palestinians are terrorists and must be fought to ensure the safety of the Israeli people. These Israeli actions have been blessed by the US itself on the anti-terror ticket. When re-evaluating Israel's actions of killing Palestinians and oppressing them, it can be categorized that Israel itself is more violent than terrorists and the international community also labels that Israel is a real international terrorist and it needs to be fought. In fact, the category of terrorists between Israel and Palestine here is a perception made by the US itself for their own benefit.

However, the US has also played a role in providing a humanitarian contribution of US\$300 million with the aim of restoring infrastructure facilities in Palestine.⁴¹ In addition, the US also hopes that the two warring parties can implement UN Resolutions 1397, 1402 and 1403 so that a ceasefire is implemented immediately, and the Israeli army withdraws from the Palestinian territories and ends all forms of atrocities.⁴² Although the UN Resolution has been declared to end the Israeli-Palestinian conflict, what is observed is that the US does not play a serious role in dealing with this conflict with only "lip service". This situation causes Israel to continue to act arbitrarily against the Palestinian population. The Israeli side under Prime Minister Ariel Sharon does not want to implement the mandate of this resolution, but instead has given a

³⁸ Massa, No. 338, April 13-19, 2002, p. 47

³⁹ Utusan Malaysia, 23 July 2002, p. 18.

⁴⁰ Massa., No. 340, April 27- May 3, 2002, p. 44.

⁴¹ Speech by U.S. Ambassador Marie T. Hutala for Malaysian Armed Forces Defense College on U.S. Foreign and Defense Policy, April 17, 2002, p. 18.

⁴² .ibid, p. 19.

condition that Yasser Arafat acts to stop the acts of suicide fighters carried out by the Palestinian people against the Israeli people first.

If these violent acts by suicide fighters can be stopped then Israel may consider the UN mandate. Ariel Sharon's decision has been supported by the US. The US believes that Arafat has failed to stop his people who continue to commit violence and plans to replace the Palestinian leadership with Yasser Arafat being given the role of a symbolic ruler only (Utusan Malaysia, 18 July 2002). This situation is seen not to solve the problem and it is also not democratic. It is appropriate for the Palestinian people themselves to determine who their leaders are in order to shape the future of Palestine for the Palestinian people themselves

3.4 Violation of The Peace Agreement

According to Robert Fisk, Israel will not gain security until it complies with UN Security Council resolution number 252; Israel will also not have peace unless it gets out of the West Bank, Gaza, Golan and East Jerusalem. As long as this conflict is not effectively addressed by the international community, as long as the atrocities in Palestine will continue and the victims are the innocent population. Various atrocities have occurred throughout this conflict. Among them, the massacre of Palestinians in Deir Yassin by the Stern Gang and other Jewish groups. The violence that killed 750,000 Arabs until they fled their homes and the destruction of Sabra and Shatila in 1982 that killed 1,700 Palestinians is proof of Israel's brutality against the Palestinian people. Similarly, the act of killing the remaining Palestinians who are still alive is called a 'follow-up operation' (mopping up). Likewise with the story of civilians who were killed and said to have been 'hit by a stray bullet'.

The world did not change on September 11, where Lebanon and Palestine had already lost 17,000 lives when Israel occupied them in 1982 - more than five times the number of lives lost during the September 11 episode. But the world has not changed 20 years ago. He said that Yasser Arafat had chosen violence despite being offered a Palestinian state with its city in Jerusalem and 96 percent of the land in the West Bank and Gaza. According to Camp David, Jerusalem is considered the 'eternal capital of Israel' Arafat was only given what Madeline Albright recognized as 'a form of sovereignty' only over the Haram al-Sharif where the mosque area and several Arab roads are located, while the Palestinian parliament had to be built on the eastern side of the Abu Dis wall. Since most of the Jerusalem municipality already includes the West Bank, Jewish settlements such as Maale Adumin are no longer negotiable, as are many other Jewish settlements (which robbed the original Palestinian land). The same is the case with the buffer zone (buffer zone) along 10 miles built by the Israeli army in the West Bank, and settlement roads that encroach on the Palestinian 'state'. Arafat was given only 46 percent of the remaining 22 percent of Palestinian land.

He also told how timid Secretary Colin Powell was, who wandered the Mediterranean to give Sharon time to finish the destruction of the Jenin refugee camps. The Sharon-led soldiers handed over the survivors of Sabra and Shatilla to the Phalangist groups to be tortured and eventually killed. Arafat was never given 96 percent of the West Bank land when they negotiated at Camp David. According to Robert Fisk again, Israel will not obtain security until it complies with UN Security Council resolution number 252; Israel will not have peace unless it gets out of the West Bank, Gaza, Golan and East Jerusalem (<http://www.independent.co.uk/story.jsp>).

Although the peace agreement is only seen to have a positive effect on Israel's economy where the Peace Agreement brought the Jewish state into the lucrative Middle East market, and opened trade doors that had been closed since Israel was established in 1948. Nevertheless, if viewed from a security point of view, It is clear that the Peace Agreement cannot create peace in Israel or in Palestine. Riots and fighting broke out almost every day. Israel, on the other hand, acts violently against groups that are considered Islamic extremists by shooting, injuring and imprisoning opposition groups. On the other hand, Israel does not act at all and if anything only acts within certain limits against the Jewish opposition, it is clear that injustice is happening. The hostility between these two nations still continues despite the signing of the Peace Treaty.

CONCLUSION

The Palestinians have lost their homeland in West Asia to Israel since 1948. Despite having fighters, Palestine has not succeeded because Israel has the support of the United States. This invasion once again shows that arbitrary countries always struggle for power, expanding power rather than seeking security and peace. It also shows the weakness of realist theory that always emphasizes power as an important element that can obtain peace and security. They seem to have forgotten that it is human nature to always want something more including power and when a country becomes superior ie stronger and more powerful, then it tends to expand its power. So in this case, the power that should be used to control peace and balance the power of other countries has been misused.

In the ever-changing and dynamic international political arena, there is no country in the world that is only guided by one paradigm, they usually use the advantages of various paradigms in determining an action. Therefore, both Idealist and Realist paradigms have their respective weaknesses. Although the wars and conflicts that continue to happen and drag on, to some extent it reflects the effectiveness of both those paradigms and their weaknesses. But we must remember that the paradigm is only an approach and a guide for international actors, and the people who implement it in real reality. Problems will continue to occur as long as people deviate from the right way and abuse power, then as long as that is the problem will continue to occur.

The world community cannot ignore the impact of international relations in all aspects to determine their future. The sophistication of information technology has facilitated communication in all corners of the world, added to the atmosphere of world leadership that does not have this provision, the leaders of nation states are exhorted and encouraged to always uphold the values of humanity and sovereignty. In addition, all forms of differences of opinion and views should be discussed wisely and diplomatically in order to create a life full of peace and harmony.

As a conclusion in the discussion about the prospect of diplomacy in dealing with the Palestinian-Israeli conflict, is whether diplomacy will be able to overcome the arrogance and strength of Israel which has been proven by winning all the wars of 1948-49, 1956, 1967, 1973 and 1982. Their willingness to negotiate is very necessary to ensure that diplomatic efforts are effective in the future. With strong support from America, they will certainly ignore

international law related to conquered territories. This situation makes peace efforts difficult and requires international attention. Without seriousness from the parties involved to make peace, diplomatic efforts are able to put this conflict in the eyes of the world community, but did not provide a significant impact on the parties involved.

ACKNOWLEDGEMENT

* This paper is part of a phd research paper titled Diplomacy in dealing with the Palestinian-Israeli conflict.

REFERENCES

- Agnew, J. 1989. 'Beyond Reason: Spatial and Temporal Sources of Etnic Conflict', in Terrell A. Northrup, Louis Kriesberg & Stuart J. Thorson, eds, *Intractable Conflicts and Their Transformation*. New York: Syracuse University Press.
- Alpher, Y., & Khatib, G. (2004, March 22). Foreign aid and the conflict. Retrieve August 23, 2007, from Bitterlemons.org: <http://www.bitterlemons.org/previous/bl220304ed11.html>
- Barak, O. 2005. The Failure of the Israeli-Palestinian Peace Process, 1993-2000. *Journal of Peace Research*. **42** (3): 719-736.
- Barston, R.P (2006). *Modern Diplomacy*. Third Ed. London: Pearson Education Limited.
- Bercovitch, J. & Gartner, S. S. 2006. Is There Method in The Madness of Mediation? Some Lessons for Mediators from Quantitative Studies of Mediation. *International Interactions*. **32** (4): 329-354.
- Easton, David. 1953. *The Political System : An Inquiry into the state of Political Science*. 2nd ed. New York: Alfred A. Knopf).
- Encyclopaedia Britannica*.(2022). Two-state solution. Israeli-Palestinian. history.<https://www.britannica.com/topic/two-state-solution>
- Encyclopaedia Judaica*. © 2008: The Gale Group. [Lehi Museum](http://www.lehimuseum.org). Lohamei Herut Israel (Lehi or Stern Gang). <https://www.jewishvirtuallibrary.org/lo-x1e25-amei-x1e24-erut-israel>
- Fortna, V. P. (2004). Does Peacekeeping Keep Peace? International Intervention and the Duration of Peace After Civil War. *International Studies Quarterly*, Volume 48, Issue 2, June 2004, Pages 269–292, <https://doi.org/10.1111/j.0020-8833.2004.00301.x> Published:06 May 2004
- Haryanto, A., & Raditya, I. N. (2021, May 20). *Sejarah Tanah Palestina: Fakta-Fakta & mengapa*

Dilanda Konflik? tirto.id. <https://tirto.id/sejarah-tanah-palestina-fakta-fakta-mengapa-dilanda-konflik-gf9Q>.

- Hampson F. O (1996). *Nurturing Peace: Why Peace Settlements Succeed Or Fail*. Hampson https://books.google.com.my/books?id=XF2uGf7IZe0C&prints ec=frontcover&hl=ms&source=gbs_ge_summary_r&cad=0#v=onepage&q&f=false
- Harms, G., & Ferry, T. (2017). *Palestine*. In *The Palestine-Israel Conflict - Fourth Edition: A Basic Introduction* (pp. 57-64). London: Pluto Press. doi: 10.2307/j.ctt1s475dd.12
- Isard, W. 1992. *Understanding Conflict and Science of Peace*. Massachusetts: Blackwell Publishers.
- Ismail Mohd. Ariffin, 1989. *Intifadah Kebangkitan Rakyat Palestin*. Kuala Lumpur: Hizbi.
- Kriesberg, L. 1998 (a). *Constructive Conflicts: From Escalation to Resolution*. Lanham, MD: Rowman & Littlefield.
- 2001. Mediation and the Transformation of the Israeli-Palestinian Conflict. *Journal of Peace Research*. **38** (3): 373-392.
- Mahler, G. S. (1990). *Israel After Begin*. New York: SUNY Press.
- PASSIA. (2006, June 10). *Health*. Retrieved August 15, 2007, from Palestinian Academic Society for the Study of International Affairs: http://www.passia.org/palestine_facts/pdf/pdf2006/10-Health.pdf
- Royalmarine. (2021). *Palestin - Sejarah - topik*. ms. royalmarinescadetsportsmouth.co.uk. <https://ms.royalmarinescadetsportsmouth.co.uk/palestine>.
- Rusli, H. (2021). Astro Awani, Berita Tajuk utama Hari Ini, Berita semasa, Berita Terkini Malaysia, Dunia, SUKAN, Hiburan, teknologi, Gaya Hidup, AUTOMOTIF, POLITIK, FOTO, VIDEO, Dan SIARAN Langsung TV. <https://www.astroawani.com/berita-dunia/apa-kesudahan-konflik-palestinisrael-297757>.
- Slaim, A. 1994 (b). The Oslo Accord. *Journal of Palestine Studies*. **23**(3): 24-40.
- Slater, J. 2001. What went Wrong? The Collapse of the Israeli-Palestinian Peace Process. *Politically Science Quarterly*. **116** (2): 171-192.
- The Middle East and North Africa, 1996*. **42**: 108-112.
The Peace Process, Journal of Palestine Studies. 1996. **25**(2): 123-.140.
- <http://www2.hull.ac.uk/fass/pdf/Siniver-Third%20Party%20Mediation%20in%20the%20Arab-Israeli%20Conflict.pdf> retrieved on 6 May 2017

http://www.jewishvirtuallibrary.org/jsource/History/sykes_pico.html retrieved June 15, 2016.

http://www.tv3.com.my/news/bu/january2002/29_berita8.html

www.emedia.com.my/Current_News/BH/Thursday/ Nasional/20021030232357/Article/ -

www.geocities.com/retemedision/a2.html(20 Disember 2002)

Robert, Fisk. 17. 4. 2002. Fear and learning in America.

<http://www.independent.co.uk/story.jsp?story=285777> (6 Januari 2003).

Speech by U.S Ambassador Marie T. Hotala *for Malaysian Armed Forces Defense College on U.S.*

Foreign and Defense Policy, 17 April 2002, hlm.18-19.

The United Nation, Oktober 1994. The United Nations and The Question of Palestine: United Nations Department of Public Information.

Newspaper

Utusan Malaysia, 18 Julai 2002.

Utusan Malaysia, 23 Julai 2002.

Magazine

Massa, Bil 340, 27 April- 3 Mei 2002

Massa, Bil 338, 13-19 April 2002



Organiser:



Pusat Pengajian
Antarabangsa (SoIS)
SCHOOL OF INTERNATIONAL STUDIES
Universiti Utara Malaysia

Co-Organiser:



Ghazali Shafie
Graduate School
of Government
Universiti Utara Malaysia

