

TOWARDS POSITIVE PEACE: MALAYSIA'S STRIDES IN WELL-FUNCTIONING GOVERNMENT AND SUSTAINABLE ECONOMIC DEVELOPMENT

Hafizah Abdul Rahim^{1,2*} and Asmak Ab Rahman²

¹Department of Business, Faculty of Business & Communication, Universiti Malaysia Perlis, Malaysia

²Department of Shariah & Economics, Academy of Islamic Studies, Universiti Malaya

Received 4th November 2023, Revised 8th December 2024, Accepted 27th December 2024

ABSTRACT

Well-functioning Government (WFG) describes how countries are directed, controlled, and held accountable. Hence, a country implementing well-functioning government principles and practices will lead to success and peace. The WFG is one of the pillars of positive peace introduced by the Institute for Peace and Economics (IEP). Therefore, this study will explore how WFG, as the pillar of positive peace, influenced the Malaysian economy. The main objective of this research is to explore the concept of WFG as a pillar of peace and its characteristics practised in the Malaysian economy. This study employed generic qualitative analysis and reviewed past research on good governance practices in Malaysia. The content analysis has been undertaken for this study. The attributes discussed, including political stability, sound economic policies, efficient governance and regulation, investment in human capital, and fiscal responsibility, collectively contribute to Malaysia's enduring economic resilience and growth trajectory. It fosters peace by cultivating social harmony, equity, and sustainable development. In addition, this approach contributes to Malaysia's overall well-being and advancement since it facilitates a peaceful and prosperous society.

Keywords: Well-functioning Government, Positive Peace, and Sustainable Economic Development

1.0 INTRODUCTION

Peace is essential in all aspects, such as countries, religious life, etc. A concept of peace is societal concord and friendship without antagonism and violence. In a social sense, peace is frequently used to refer to the absence of conflict, such as war and the absence of anxiety about violence amongst people or groups (Dalai Lama, 2017). In United Nations terms, peace is dignity and well-being for all, not just the absence of war (Isabelle et al., 2015). From these two definitions, peace was related to the absence of war and conflict. As the world move has reached the 21st century, 27 out of 195 countries are facing a war (World Population Review, 2023). As the world is becoming modern, war should be avoided, and agreement must be reached by the country involved in war. Based on Key Trends in Global Peace Index 2021, since 2008, there has been a 2% decline in world peace, with 86 nations seeing improvements and 75 registering reductions. Nine out of the last 13 years have seen a drop in the average degree of world harmony. The difference between the least and most tranquil nations keeps widening. The 25 least peaceful nations have seen an average drop of 12.1% since 2008, while the 25 most peaceful nations have

seen an improvement of 4.3%. Malaysia was ranked 18 out of 163 countries with a Global Peace Index (GPI) score of 1.471, increasing from number 22 in 2021 with a 1.52 score. The GPI score is a composite measure that uses 23 quantitative and qualitative markers, each weighted on a range of 1 to 5, to determine the level of harmony in various nations. The more tranquil the nation, the lower the number (Global Peace Index, 2022).

Positive peace and negative peace are the two components of peace. A definition of peace cannot correctly convey harmony as the absence of conflict and violence, and negative peace is defined as a society's propensities for peace. While positive peace is distinguished by a more durable peace based on long-term investments in institutions, economic development, and peaceful societal perspectives (Institute for Economics and Peace, 2018), negative peace is typified by conflict. It may gauge society's ability to tolerate setbacks without escalating or renewing hostilities. Positive peace responds to these "structures and cultures of aggression." Because of these systems and traditions, people could act violently or aggressively against others. Since then, both academics and politicians have routinely adopted this definition, which has gained popularity. However, for everyone to fully understand the idea and its implementation, they must also understand how Positive Peace came to be (Vision of Humanity, 2022).

Positive peace leads to the eighth pillar of peace, which is a well-functioning government, sound business environment, equitable distribution of resources, acceptance of the rights of others, good relations with neighbours, free flow of information, high level of human capital, and low level of corruption, (Vision of Humanity, 2020). The eighth pillar of peace is the pillar that helps a country to be peaceful. The central pillar that will be the focus is a well-functioning government. A well-functioning government is one of the crucial things for the country as it is an indicator for the country to show others how their government functions in running the country's governance. Good governance pertains to all forms of Government, including the institutions, procedures, and customs used to determine and regulate matters of public interest—the act of ruling gains a normative or evaluative quality through good administration. From the viewpoint of human rights, it mainly pertains to the process by which public institutions manage public resources, perform public affairs, and ensure the realisation of human rights (United Nations Human Rights, 2021). There are five key attributes of good governance: transparency, responsibility, accountability, participation, and responsiveness to the needs of the people. The data from the Economic Intelligence Unit in the context of functioning Government, Malaysia, scored 7.9 for ten years from 2012 to 2022. It shows that the Government of Malaysia is 79% functional in performing its governing duties.

"Good governance at all levels is fundamental to economic growth, political stability, and security — a key factor for stability and security" (Organization for Security and Cooperation in Europe, 2019). In the Global Peace Index issued by the Institute for Economic and Peace (IEP) in 2008, Malaysia has received a reasonable ranking globally among Islamic countries in Asia and ASEAN. Therefore, this study will analyse the concept of a well-functioning government practised by Malaysia, especially in the development of the Malaysian economy and look at the characteristics and features of a well-functioning government in the Malaysian Government.

2.0 LITERATURE REVIEW

Peace is crucial to ensure the country has economic and political stability. Without peace, the economy and political stability cannot guarantee a better outcome for the country. One of the prominent institutes has measured the index of peace through its indicator. The institute's name is Institutes for Economics and Peace (IEP). The ranking has been developed yearly and produced yearly. IEP has published several indexes, for example, the National Peace Index, Global Terrorism Index, Building Block of Peace and more. However, this research will focus on the Global Peace Index, a survey that ranked the peacefulness of various countries and regions.

Malaysia is no exemption from the list. Since 2012, Malaysia has ranked well among global organisations in Islamic Corporation (OIC), Asia and ASEAN.

In this index, there are 163 countries have been measured. Malaysia has been listed among this ranking since 2008. Table 2.1 illustrates Malaysia's peacefulness ranking among the 163 countries from 2008 to 2022. Table 2.1 shows Malaysia has been ranked among the high state of peace.

Table 2.1:Malaysia's Peace Index among Global, Organisation in Islamic Corporation (OIC), Asia and ASEAN from year 2008-2022

Year	Global/163	OIC/57	ASIA/51	ASEAN/10
2008	35	3	4	2
2009	30	4	3	2
2010	30	4	6	2
2011	23	3	5	2
2012	29	3	4	2
2013	25	2	3	2
2014	29	2	4	2
2015	28	1	3	2
2016	35	2	5	2
2017	35	2	5	2
2018	32	1	4	2
2019	29	1	4	2
2020	26	1	4	2
2021	22	1	4	2
2022	18	1	3	2

Source: Global Peace Index 2008-2022

Based on the table, Malaysia has a good ranking in the global peace index, Organisation in Islamic Corporation (OIC), Asia and ASEAN throughout the year. From 163 countries globally, Malaysia showed an excellent ranking throughout the year by leading the decreasing number each year, although the number slightly increased for a few years. Despite that, Malaysia still ranks well, beating developed countries like the United States of America, ranked 150 and above each year. Throughout the year, Malaysia received a good ranking in 2022 at 18 from 163 countries. Meanwhile, Malaysia was a comfortable situation for the Organisation in Islamic Corporation (OIC), 57 Islamic countries with an excellent yearly ranking, ranked no 1.

2.1 Positive Peace: Well-Functioning Government

Positive peace is a dichotomous of a negative and positive peace framework. Prominent peace Johan Galtung, Norwegian pioneer of peace research, popularised positive and negative peace. He distinguished that there are two types of peace: positive and negative. The absence of war and violence defined negative peace. Negative peace also does not capture a society's tendencies towards stability and harmony. Meanwhile, positive peace is characterised by a more enduring peace based on long-term investments in institutions, economic growth, and peaceful society attitudes. It can assess a society's resilience or capacity to withstand shocks without degenerating or re-engaging in conflict (Positive Peace, 2018).

The attitudes, organisations, and systems that build and maintain peaceful communities are called positive peace. The variables that bring about enduring peace also result in several other desirable outcomes, including flourishing economies, improved ecological performance, and high levels of endurance and flexibility to change. Measuring inclusiveness, well-being, and contentment are additional aspects that increase with Positive Peace. As a result, positive peace can be defined as providing the ideal conditions for developing human potential (United Nations Office for the Coordination of Humanitarian Affairs, 2021). Meanwhile, a well-functioning Government delivers high-quality public and civil services, engenders trust and participation, demonstrates political stability and upholds the rule of law. A properly functioning government relies on the levels of political participation, political culture, the separation of powers, the quality of democracy, and the delivery of public services (Vision of Humanity, 2020). There are over 25 measures of governance that correlate significantly with the Global Peace Index; some indicators are political culture, civil liberties, quality of democracy, social affairs and security. The indicator will be gained from a few sources such as the Economist Intelligence Unit, Freedom House, World Bank, United Nations and Legatum Foundation (Positive Peace Report, 2020). Positive peace recognises that resolving conflicts alone is insufficient for achieving lasting peace and that a more comprehensive strategy is needed. The Eight Pillars of Positive Peace strengthens a society from the inside by cultivating an atmosphere that fosters communities and encourages business. A society that can support enterprises is a society able to provide fundamental social services and livelihood possibilities, resulting in peace as well as sustained growth.

Both positive peace and a well-functioning Government are related to ensuring that the Government is run well without any issues such as corruption; positive peace must be implemented in work organisation. According to Bernard Amadei, the well-functioning Government and low levels of corruption domains both have higher dependence than acceptance of the rights of others and the free flow of information. Hence, both well-functioning Government and low levels of corruption are more challenging to address than acceptance of the rights of others and the free flow of information in the positive peace process because their influence and dependence cannot be separated. For instance, as their influence on other variables increases, their dependence on the same variables increases simultaneously through feedback mechanisms, thus creating potential instability in the positive peace process.

2.2 Attributes of Well-Functioning Government

Characteristics or traits that define or characterise an item, an entity, or a concept are known as attributes. They offer details on a thing's particular characteristics, attributes, or qualities (Cambridge University, 2019). Both tangible and immaterial items have attributes that may be used to characterise them. In this part, attributes in the well-functioning Government are used to measure how well-functioning Government has been defined.

"Government should be transparent. Transparency promotes accountability and provides information for citizens about what their Government is doing" (Obama, 2017). Governments are in place to help those who make up their constituency—those who live and work there. Citizens have a right to know how their governments manage public affairs and distribute tax money. Governments must communicate this information to their constituents because that is where accountability starts—being transparent means being open and honest in a commercial or governance situation. Transparency is also the property of being easily seen through. The currency needed to build a productive and successful workforce that draws on the talents of people from various sexes, races, and cultures is transparency.

Additionally, it serves as a conduit for businesses and governmental organisations to get the precise talent they require to meet their objectives. Trust, engagement, and accountability are three key factors for a global inclusive workforce to succeed (World Economic Forum, 2018).

These three characteristics allow an inclusive workforce to boost the world economy and produce income.

Governmental and bureaucratic legitimacy may benefit from transparency. Most governments, including authoritarian ones, will see value in justifying their acts in a way that links those activities to the well-being of the state and its citizens. However, all governments and the majority of organisations use some degree of discretion when deciding what information will be made public and what will be kept private. So, one approach to discussing openness in various legal systems is to discuss the standards used when using that discretion. Few governments or agencies are likely to openly embrace standards that would appear self-serving in the view of their constituents or clients. Transparency can, therefore, be viewed as a means of bolstering governmental legitimacy (Vaughn, 2011).

Robert G Vaughn also added that transparency can also be seen as facilitating market decision-making. First, governments may share information on product testing, safety standards and performance, and scientific evaluations of the benefits and hazards of various goods and services. Similar government data may be about financial services and institutions. The market may allocate resources in a way that is more economically advantageous with the use of this knowledge. Through this process, governments address one market failure: incomplete or unavailable information.

Second, governments have the authority to impose transparency requirements on private market players, such as reporting requirements for the sale of securities, product labelling regulations, and service disclosure standards. These rules address the market's inability to provide information important to market choices. Furthermore, transparency may improve governmental regulation by increasing the visibility of regulatory norms, warning the public when regulations are being broken, and providing incentives for compliance. Information accessibility can include public scrutiny as a component of governmental regulation.

Governance acts as a public administration for the people to know how the Government serves the people and gives a service to them. Access to general information is a requirement for transparent public administration, which can include memoranda and policy papers as well as map data, weather information, registration information, and other types of information. Public information has grown in importance due to digitisation, notably as a necessary component of a knowledge-based economy (Tero Erkkila, 2020). Although privacy and transparency are not mutually exclusive, the two have obvious trade-offs. It relates to public administration, which manages vast volumes of individual citizen data. Openness is frequently demanded to make public administration responsible for using this information. The worldwide indices of good governance and economic success, increasingly quantified by such comparative analyses, align with public administration's openness. Global rankings and performance indicators may have unanticipated constitutive consequences on institutional practices while suggesting more transparency and higher levels of governmental quality.

2.3 Public Interest

The idea of balancing the effect of strong economic interests in the legal system, regardless of their goal, is where the public interest concept first emerged (Rekosh, 2005). As it is typically used, the term "public interest" refers to the ultimate ethical goal of political interactions. Institutions and practises are then classified as desirable or undesirable according to how much they advance or hinder the realisation of the public interest (Cassinelli, 1958). Even while the concept of "public interest" is fundamental to democratic systems of Government, neither the law nor the courts have ever given it a clear definition. Academics have likewise struggled to provide a specific explanation for the phrase. Despite the lack of a particular definition, most societies have accepted that the idea is sound and incorporates a fundamental value that ought

to direct and inform the conduct of public authorities (Wheeler, 2006). Additionally, when it comes to public interest, no single formula applies in every circumstance. States continue to hold divergent opinions about what interests should be considered public interests and how to institutionalise and administer such interests (Komori, 2007).

Transparency in the decision-making process, which includes weighing opposing interests, is essential for evaluating any action taken in the public interest. It is important to consider all aspects of the situation, and norms and processes for policymaking must be transparent. It should be highlighted that "balancing competing interests" refers to politicians sifting through a maze of conflicting interests to advance their best political goals. The result will be a struggle for political influence among various conflicting interests. Whether this increases the general welfare is still debatable (Institute of Chartered Accountants England, 2012).

3.0 METHODOLOGY

This study employed the generic qualitative inquiry method. The generic qualitative approach is a design to discover and explore firsthand experiences described by individuals within a real-world context (Ellis & Hart, 2023; Chenail et al., 2011; Kahlke, 2014; Levitt et al., 2019; Percy et al., 2015; Willgens et al., 2016). This method has been selected because it is helpful for the researcher who intends to explore topics of interest broadly. Researchers can cultivate creativity, adaptability, and unconventionality (Kahlke, 2018). Using a generic approach, Kahlke (2014) describes descriptive, interpretive, and naturalistic facets to assist researchers in selecting a methodology but adding more naturalistic details in current exploration contexts. Providing detailed descriptions of the qualitative process and findings from the points of view of the population of study is one way to conduct research on the nuances of complex phenomena with a generic qualitative research design (Chenail et al., 2011; Daniel, 2019). The data has been gathered throughout this study based on the past literature, documents related to the context of the study on well-functioning government (WFG), and applicability experience in the Malaysian economy, where the data has been analysed using content analysis, which extracting the WFG's attribute and its characteristics.

4.0 RESULTS AND DISCUSSION

This section will elaborate on each of the attributes and characteristics of WFG. The main characteristics implied in the context of the Malaysian economy are political stability, sound economic policies, efficient governance and regulation, investment in human capital and fiscal responsibility.

4.1 Political Stability

Political stability is a fundamental prerequisite for sustained economic growth and development in any country, including Malaysia. A stable political environment ensures predictability and continuity in governance, fostering investor confidence and encouraging long-term investments. One notable example is the period of rapid economic growth and development in Malaysia during the late 20th century, particularly from the 1980s to the early 2000s. This period, often referred to as the "Malaysian Miracle", was characterised by robust economic growth, industrialisation, and diversification of the economy. The Malaysian government, under the leadership of Prime Minister Mahathir Mohamad, implemented various policies that prioritised political stability and effective governance, laying the groundwork for the country's economic success.

During this time, Malaysia experienced relative political stability, which provided the necessary environment for implementing long-term development plans and economic policies. The government's commitment to political stability allowed for consistent and predictable policy frameworks, fostering investor confidence and attracting significant foreign direct investment (FDI) into the country. Furthermore, the government's proactive approach to promoting economic growth through initiatives such as the Look East Policy, the Vision 2020 development plan, and the implementation of the New Economic Policy (NEP) contributed to Malaysia's rapid industrialisation and modernisation. These efforts and a stable political environment facilitated the country's transition from a primary commodity-based economy to one that emphasised manufacturing, services, and technology-driven industries.

The success of Malaysia's economic transformation during this period is a testament to the importance of political stability in facilitating sustainable economic growth and development. The government's ability to maintain political stability, implement consistent economic policies, and foster a conducive business environment was pivotal in positioning Malaysia as a notable emerging economy in the Southeast Asian region.

4.2 Sound Economic Policies

A well-functioning government in Malaysia would implement and maintain sound economic policies that promote sustainable growth, encourage investment, and foster a conducive business environment, including policies that promote innovation, entrepreneurship, and foreign investment.

Promoting sustainable growth in Malaysia is developing and promoting the palm oil industry, focusing on sustainable practices and environmental conservation. The palm oil industry is a significant contributor to Malaysia's economy, but it has also faced criticism for its environmental impact, including deforestation and habitat loss. In response, the Malaysian government and industry stakeholders have implemented various measures to promote sustainable practices within the palm oil sector. Malaysia has implemented certification programs such as the Malaysian Sustainable Palm Oil (MSPO) certification, which promotes sustainable practices in palm oil production, including responsible land management, environmental protection, and the welfare of workers and local communities. This certification program aims to ensure that palm oil production meets specific sustainability criteria, thereby addressing ecological concerns and enhancing the industry's image globally. The Malaysian government has invested in research and development initiatives aimed at improving the sustainability of the palm oil industry. It includes funding research projects focused on developing more sustainable cultivation practices, increasing yields, and reducing the environmental footprint of palm oil production. Such efforts contribute to enhancing the industry's overall sustainability and reducing its impact on the environment.

Another example, the government has implemented regulations and policies to mitigate the environmental impact of the palm oil industry. It includes laws to protect primary forests and biodiversity, guidelines for sustainable land use and forest management practices. These regulations aim to prevent further deforestation and promote the conservation of natural habitats, thereby ensuring the long-term sustainability of the palm oil industry while preserving the environment. The Malaysian government's green initiative and incentive is the Green Technology Financing Scheme (GTFS). The GTFS was introduced to encourage the adoption of green technologies and sustainable practices across various sectors, aiming to promote environmental conservation and reduce carbon emissions. The scheme provides financial support and incentives for businesses and individuals to invest in and implement green technologies and initiatives (Malaysian Green Technology Corporation, 2018).

4.3 Efficient Governance and Regulation

Effective governance and regulation are essential to a well-functioning Malaysian government because they ensure an environment that fosters economic growth and development by creating a transparent and conducive business environment.

Bank Negara Malaysia (BNM), Malaysia's central bank, plays a critical role in regulating the country's financial sector and ensuring stability and transparency within the banking and financial industry. Its proactive regulatory approach and policies maintain a conducive business environment and foster investor confidence in the Malaysian economy. The regulatory body in Malaysia that contributes to a transparent and predictable business environment is the Securities Commission Malaysia (SC). The SC is the statutory body responsible for regulating and developing the capital market in Malaysia, ensuring transparency and predictability in the securities and investment industry. The SC plays a crucial role in safeguarding the interests of investors, promoting fair and orderly trading, and facilitating the growth of a vibrant and competitive capital market in Malaysia. Malaysia's efforts to establish a transparent and predictable business environment is the implementation of the Companies Commission of Malaysia (SSM). SSM serves as the statutory body for regulating and supervising companies and businesses in Malaysia, ensuring transparency and predictability in the business environment.

4.4 Investment in Human Capital

Sustainable economic development requires a government's commitment to investing in human capital. The government can foster a skilled and healthy workforce equipped to meet the demands of a rapidly evolving global economy by prioritising investments in education, healthcare, and skills development. Malaysia, which demonstrates the government's commitment to investing in human capital, is establishing the TalentCorp Malaysia initiative. TalentCorp was launched in 2011 as a joint initiative between the government and the private sector, aiming to address talent shortages, foster a skilled workforce, and enhance Malaysia's attractiveness as a talent destination.

The Malaysian government has implemented the Malaysia Education Blueprint, which outlines comprehensive strategies and initiatives to enhance the quality of education at all levels. The blueprint focuses on improving curriculum standards, promoting digital literacy, and enhancing teaching methodologies to ensure students have the necessary skills and knowledge for the 21st-century workforce. Additionally, the government has allocated resources to upgrade educational infrastructure, provide access to quality education in rural areas, and promote inclusive and equitable education for all Malaysians.

Malaysia has made significant investments in its healthcare system, including establishing the National Healthcare Financing System. This system aims to provide universal access to quality healthcare services for all Malaysians through various initiatives, such as implementing the 1Care for 1Malaysia program. The government's commitment to healthcare investment is also reflected in the continuous improvement of healthcare infrastructure, the expansion of healthcare facilities, and the enhancement of medical technologies, ensuring that all citizens have access to affordable and comprehensive healthcare services.

The Malaysian government has prioritised skills development by implementing various national skills development programs, including the Malaysia Skills Development Act and the National Dual Training System. These initiatives aim to provide vocational and technical training to equip individuals with industry-relevant skills and enhance their employability in various sectors. The government collaborates with industry stakeholders and educational institutions to design training programs that meet the demands of the labour market, thereby addressing the skills gap and promoting sustainable economic development.

4.5 Fiscal Responsibility

A well-functioning government strives to ensure macroeconomic stability, promote investor confidence, and sustain long-term economic growth through fiscal responsibility. Government spending and revenue generation should be balanced as part of a responsible fiscal policy. Consequently, the government must prioritise spending on essential public services, infrastructure development, and social welfare programs while avoiding excessive spending that could result in budget deficits. Government can foster sustainable economic growth and mitigate the risks associated with excessive public debt by ensuring a prudent allocation of resources. Fiscal responsibility involves implementing efficient taxation policies that generate revenue without burdening individuals and businesses. It encourages compliance, minimises tax evasion, and supports wealth redistribution. A government can support economic development and social welfare initiatives by optimising tax collection and reducing unnecessary tax loopholes. A responsible fiscal policy requires effective debt management to prevent excessive borrowing and debt accumulation. It involves implementing prudent debt management strategies, such as maintaining a sustainable debt-to-GDP ratio, adhering to responsible borrowing practices, and reducing fiscal deficits over time. Public debt management can minimise financial instability, interest rate volatility, and credit rating downgrades, thereby maintaining investor confidence and stabilising the economy. Keeping purchasing power, fostering international trade, and promoting investor confidence depend on a stable currency and inflation control. Money supply regulation and interest rate management are intended to prevent inflation and maintain price stability. Governments can facilitate investment, trade, and economic development by ensuring currency stability and controlling inflation, thus improving the economy's overall competitiveness and resilience.

One of the examples is Malaysia has focused on diversifying its revenue sources and implementing tax reforms to strengthen its fiscal position and reduce dependence on volatile commodity prices. Efforts to broaden the tax base, enhance tax compliance, and introduce progressive tax policies have enabled the government to stabilise its revenue streams, support long-term economic growth, and create a more resilient and sustainable fiscal framework.

5.0 CONCLUSION

In conclusion, the analysis underscores the critical role of a well-functioning government (WFG) in fostering sustainable economic development and stability in Malaysia. The attributes discussed, including political stability, sound economic policies, efficient governance and regulation, investment in human capital, and fiscal responsibility, collectively contribute to Malaysia's enduring economic resilience and growth trajectory. Moreover, Malaysia's commitment to fiscal responsibility, exemplified through diversified revenue sources, effective tax reforms, and prudent debt management strategies, has strengthened its fiscal position and promoted macroeconomic stability. While the Malaysian government has made significant strides in ensuring a conducive economic environment, continued efforts are essential to address emerging challenges and capitalise on new opportunities in an increasingly globalised and dynamic economic landscape. By maintaining a steadfast focus on the identified attributes of a well-functioning government, Malaysia can further enhance its competitive edge and sustain long-term economic prosperity for its people.

By fostering political stability, implementing sustainable economic policies, ensuring efficient governance, investing in human capital, and maintaining fiscal responsibility, the Malaysian government promotes positive peace within the country. The emphasis on political stability supports economic growth and fosters social cohesion and inclusivity, creating a harmonious and stable society. Furthermore, implementing sustainable economic policies ensures the preservation of the environment and resources, promoting the well-being of current and future

generations—efficient governance and regulation foster transparency and fairness, promoting trust and cooperation among various sectors of society. Investments in human capital, such as education and healthcare, contribute to developing a skilled and healthy workforce, fostering social well-being and inclusivity. Additionally, maintaining fiscal responsibility ensures the equitable distribution of resources and the economy's long-term stability, minimising socio-economic disparities and contributing to a fairer and more peaceful society.

Economic growth and stability are the cornerstones of Malaysian policy and practice. It fosters peace by cultivating social harmony, equity, and sustainable development. In addition, this approach contributes to Malaysia's overall well-being and advancement since it facilitates a peaceful and prosperous society.

ACKNOWLEDGEMENTS

The researchers express their deep appreciation to Universiti Malaya, Kuala Lumpur, Malaysia, for allocating funds for this project under research grant "The Role of Peace Towards Economic And Political Stability (GC001D-15HNE)" and "The Emergence of Peace Economics In Malaysia: A Study From Islamic Perspective- PG342-2016A"

REFERENCES

- Almquist, R., Grossi, G., van Helden, G. J., & Reichard, C. (2013). Public sector governance and accountability. *Critical Perspectives on Accounting*, 24(7-8), 479–487. <https://doi.org/10.1016/j.cpa.2012.11.005>
- Arnwine, D. L. (2002). Effective governance: the roles and responsibilities of board members. *Proceedings (Baylor University. Medical Center)*, 15(1), 19–22. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1276331/>
- Arslan, M., & Alqatan, A. (2020). Role of institutions in shaping corporate governance system: evidence from an emerging economy. *Heliyon*, 6(3), e03520. NCBI. <https://doi.org/10.1016/j.heliyon.2020.e03520>
- AWANI, A. (2023). *Dasar Fiskal Tergugat Kerana Rasuah*. Astroawani.com. <https://www.astroawani.com/berita-malaysia/dasar-fiskal-tergugat-kerana-amalan-rasuah-pakar-364501>
- Bank Negara Malaysia. (2022, November 11). *Economic and Financial Developments in Malaysia in the Third Quarter of 2022 - Bank Negara Malaysia*. www.bnm.gov.my. https://www.bnm.gov.my/-/qb22q3_en_pr
- Britannica. (2019). Malaysia - Economy. In *Encyclopædia Britannica*. <https://www.britannica.com/place/Malaysia/Economy>
- Bt, Z., Abidin, Z., Singaravelloo, K., & Azizan, I. (2018). Responsiveness and the Influence on Public Trust: The Study on Local Government Service Delivery. *Journal of Administrative Science*, 15. Doi: https://jas.uitm.edu.my/images/2018_JUNE/8.pdf
- Cucciniello, M., Nasi, G., & Valotti, G. (2012). Assessing Transparency in Government: Rhetoric, Reality and Desire. *2012 45th Hawaii International Conference on System Sciences*. <https://doi.org/10.1109/hicss.2012.123>
- dlewis. (2019, September 25). *New Positive Peace partnership for communities of faith*. Vision of Humanity. <https://www.visionofhumanity.org/new-positive-peace-partnership-for-communities-of-faith/>
- Khotami, M. (2017). The Concept of Accountability In Good Governance. *Proceedings of the International Conference on Democracy, Accountability and Governance (ICODAG 2017)*. <https://doi.org/10.2991/icodag-17.2017.6>
- Leinbach, T. R., & Ooi Jin Bee. (2019). Malaysia - Agriculture, forestry, and fishing. In *Encyclopædia Britannica*. <https://www.britannica.com/place/Malaysia/Agriculture-forestry-and-fishing>

- Nikzad, R. (2021). Governance, Institutions, and Economic Development. *International Journal of Innovation and Economic Development*, 7(4), 7–22. <https://doi.org/10.18775/ijied.1849-7551-7020.2015.74.2001>
- OECD. (2014, September 15). *The role of accountability in promoting good governance*. OECD ILibrary. https://www.oecd-ilibrary.org/development/accountability-and-democratic-governance/the-role-of-accountability-in-promoting-good-governance_9789264183636-4-en
- Political Institutions and Governance*. (n.d.). <https://openknowledge.worldbank.org/server/api/core/bitstreams/66f7bdd6-8e3d-56b7-a42d-ba5bb528e88c/content>
- Ringgit declines further after NYT report that PM Najib faces US corruption inquiry. (2015, September 22). *The Straits Times*. <https://www.straitstimes.com/business/economy/ringgit-declines-further-after-nyt-report-that-pm-najib-faces-us-corruption-inquiry>
- Robiollé, T. (2013, September 10). *Pillars of Peace: measuring factors that create peaceful societies*. Tina Robiollé, PhD. <https://tinarobiollemoul.com/2013/09/10/pillars-of-peace-measuring-factors-that-create-peaceful-societies/>
- Sheng, Y. K. (2009). *United Nations Economic and Social Commission for Asia and the Pacific*. <https://www.unescap.org/sites/default/files/good-governance.pdf>
- UN Economic and Social Council. (n.d.). [Www.un.org. https://www.un.org/en/ecosoc/newfunct/dcf_account1.shtml](https://www.un.org/en/ecosoc/newfunct/dcf_account1.shtml)
- Van Tulder, R., & van Mil, E. (2019). Responsible Governance Broadening the Corporate Governance Discourse to Include Positive Duties and Collective Action. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3454489>
- Vaughn, R. (n.d.). *Transparency in the Administration of Laws: The Relationship Between Differing Justifications For Transparency and Differing Views of Administrative Law*. <https://www.corteidh.or.cr/tablas/r29844.pdf>
- Well-Functioning Government*. (n.d.). Rotarian Action Group for Peace. <https://rotaryactiongroupforpeace.org/well-functioning-government/>
- Weymouth, R., & Hartz-Karp, J. (2019). Participation in planning and governance: closing the gap between satisfaction and expectation. *Sustainable Earth*, 2(1). <https://doi.org/10.1186/s42055-019-0012-y>