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The Effects of *Tawhidic* Paradigm on Public Policy Making in Malaysia

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Abstract

This study examines the conceptualized effects of *Tawhidic* paradigm on economic policies to promote the growth of *halal* industry for sustainable wealth creation in Malaysia. *Tawhidic* paradigm provides guidance to economic policy thinking by relying upon the principles of *Qur'an* and *Sunnah* in formulating and implementing policy blueprint and instruments. The current policy thoughts are guided by market forces and sentiments which contributed to unbridled uncertainties and speculation. A *Tawhidic* paradigm policy thinking and process is developed to help ascertain the level of *Tawhidic* based policy thinking and practices at policy making, implementation and evaluation. Using personal interview with economic policy makers as method of collecting input, this study reveals that the informants do consider some levels of *Tawhidic* paradigm but the thoughts appear to be inadequate to help sustain wealth creation.

Keywords: Public policy, Tawhidic paradigm, Malaysia

Introduction

Public policy making process can be complex, challenging and uncertain due to the dynamism and variables to be considered before making policies for the public. The end results of the policy should produce the benefit to be enjoyed by the people and other beneficiaries. In general, a lot of factors contribute to the policy making process and the process can be complex and complicated when it needs to consider changes in the society, politics, preferences (Kern, Kuzemko, & Mitchell, 2014), changes that happened through sectorial innovation (Freel, 2003), and societal driven change (Hall, 1993) without compromising ethical concern (deLeon, 1996), wasting public fund (Salter & Martin, 2001), and acceptable by majority stakeholders to must work together to attain the policy outcomes (Freel, 2003; Howells, 2005; Huffman & Quigley, 2002; Kern et al., 2014; Lofsten & Lindelof, 2002). In short, there are many orientations guiding the public policy making process.

In the era of science and technology advancement, most public policy making processes were driven by the science park ideas (Siegel, Westhead, & Wright, 2003) that have been formulated and implemented in different ways (Varis, Tohmo, & Littunen, 2014). Nevertheless, there was no concrete guiding principle on how to dampen the tendency of disorientation arising from diversity in the implementation of the public policy making process that must be coherent, logical, and serve the targeted needs and

purposes (De Clercq & Arenius, 2006; Johnson et al., 2014; Kumar & Rose, 2012; Tian, Li, & Wei, 2013; Varis et al., 2014).

There have been many attempts to use various orientations in public policy making. There were attempts to use some Islamic teachings into the organizational process (Ali, 2010), but was not up to the expectations of acceptable paradigm of diversity (Eisenhardt & Martin, 2000). An orientation remains conceptual (Bhalla, Henderson, & Watkins, 2006), difficult to be operationalized. In Malaysia, there have been national unity and prosperity agenda to make Malaysia economically well (Bunnell, 2002; Kocak & Can, 2014) with good leadership orientation (Kennedy, 2002). Some of the policies managed to encourage more small and family business to grow (Dalpiaz, Tracey, & Phillips, 2014). Likewise, there has been encouragement to advance technologically (Mohedano-Suanes & del Mar Benavides-Espinosa, 2013) for wider influence and more prosperity. But, the policy making process remains isolated (Tracey & Phillips, 2007) and unable to gauge the success or transferability (Frederking, 2004) into other contexts.

A well formulated public policy requires sound orientation and competency particularly the economic policies to ensure the economy is competitive (Webster & Ivanov, 2014). All the instruments and guiding principles must be well understood and capable of execution in reality (Fallah, Partridge, & Rickman, 2014; Huggins, Lzushi, Prokop, & Thompson, 2014; Santarelli & Vivarelli, 2007; Webster & Ivanov, 2014).

Public policy should not just emphasize on certain orientation for example high technology or advanced scientific discoveries (Fallah et al., 2014), or even over emphasize on the instrument such as technology parks (Lofsten & Lindelof, 2002), and other orientations that are not stable and sustainable (Santarelli & Vivarelli, 2007; Webster & Ivanov, 2014) in the long run.

This study assumes that public policy making orientation generally lacks integration and unity in terms of paradigm, philosophy, ideas, decision and actions, which can lead to lack of competitiveness and sustainability. Thus, it aims to examine the perceived effects of *Tawhidic* paradigm on public policy making in Malaysia. The outcome of this paper is essential to provide a contingency approach in the public policy making process. The discussion of the paper is organized into a few parts.

Literature Review

In this part, the study reviews critically the concept of *Tawhidic* paradigm and the historical analysis on economic public policy making in Malaysia. At the end of this part, the study conceptualizes the key constructs into the study conceptual framework.

Tawhidic paradigm

Tawhidic paradigm refers to the rationalization, perceptions, and thinking that based on the Islamic teachings. The monotheism thinking in *Tawhidic* paradigm enables harmonious integrated linkages between the worldly affairs (*al Dunya*) and the Hereafter (*al Akhirah*) in various aspects, processes, actions and decisions (Rahman, 1995; Hamid, 1999). The immediate task to imply *Tawhidic* paradigm is to promote goodness (*al 'amr bi al ma'ruf*) and prevent evil (*wa nahyu anil munkar*) (Hamid, 1999).

Prior to execution of *Tawhidic* paradigm is the possession of knowledge (*al 'ilm*), true conviction (*al iman*), and integrity (*al ihsan*) (Mawdudi, 1991; Laming, 2002; Ismail, 2004). Knowledge incorporates broad concept of goodness (*al ma'ruf*) that includes noble deed (*al khayr*), righteousness (*al birr*) and lawful (*halal*) which deserve positive rewards (*ajr*) (Mawdudi, 1991; Qardawi, 2007). *Munkar* includes bad (*sharr*), sins (*ithm*) and prohibited (*haram*), which are related to corresponding punishment (*al 'idam*) (Mawdudi, 1991; Qardawi, 2007).

The *Tawhidic* paradigm gives weight to the degree and quality of deed/actions. The foundation for the concept of Unity of God or Oneness of Allah is mentioned in the *Qur'an*, *Sura al Ikhlas* 112: 1- 4. According to Ibn Kathir (2003), *Sura al Ikhlās* reaffirms the concept of the oneness of Allah. *Tawhidic* paradigm moulds the super-logical thinking to submit to the Will of Allah with the main objective of pleasing Him. This paradigm elevates the spirit of relationship between Allah and human

beings, human beings and human beings, and human beings with other creatures, based on two core values - trust (*amanah*) and justice ('*adl*). The concept of trust (*al amanah*) is a Divine commandment to accept the responsibility.

The ability to fulfil the trust (*al Amanah*) and obligatory duties (*al Fara'id*) is accompanied with the guidance and capability (Al Faruqi, 1992, p.5), as stated in *Sura Hud* 11: 6 and *Sura Az Zumar* 39: 41. *Sura Hud* 11:6. The immediate task that Allah prescribed to the Muslim society is to carry out the trust by bringing stability, harmony and tranquility. The task should be discharged collectively.

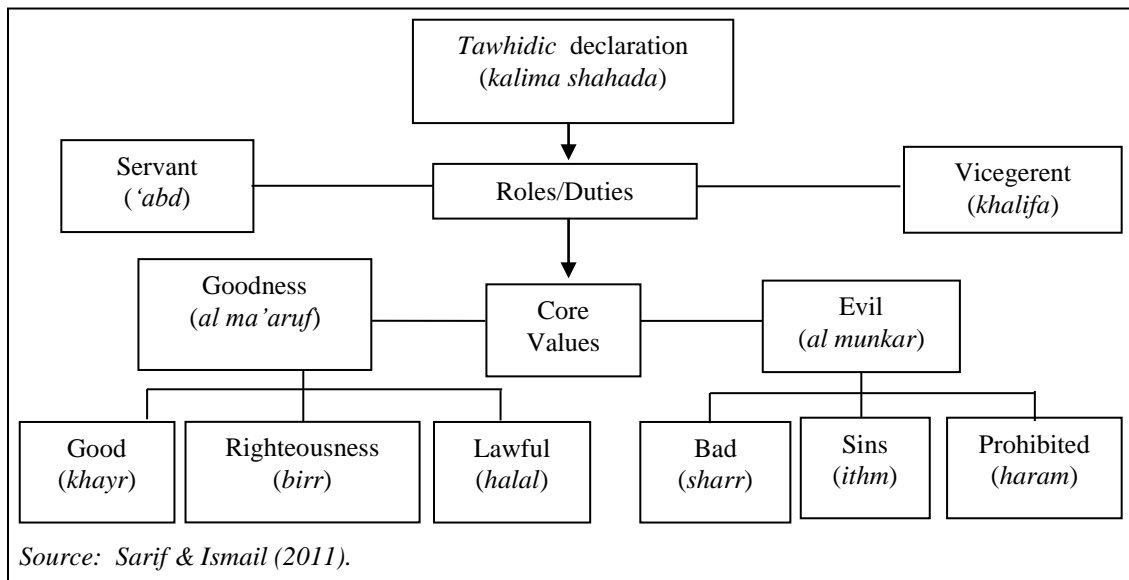
The *Qur'an* and *Ahadith* of the Messenger of Allah (Peace be upon him) provide the fundamental references for man to live according to the Will of Allah. The recognition of the references prevails in the declaration of faith, also known as the *kalima shahaada* (لا إله إلا الله محمد رسول الله) which emphasizes that "There is no god but Allah, and Muhammad is the messenger of Allah." The comprehensive conditions of the *kalima shahaada* signify its status as the foundation of the Islamic faith (*Tawhidic* paradigm). The *kalima shahaada* serves as the foundation of faith (*iman*) operating in the contexts of multiple relationships within the society (*mujtama'*).

The execution of Islamic faith is a trust (*al Amanah*); thus, it must be done with justice (*al 'adl*). The fundamental principles of the Islamic worldview consist of (a) *Tawhidic* paradigm, (b) vicegerency (*khilafah*), (c) servant ('*abd*), (d) trust (*amanah*) and (e) justice ('*adalah*) (Haneef, 1997, pp.44-49).

According to Sarif and Ismail (2011), *Tawhidic* paradigm can be conceptualized into a few components or elements, namely (a) the *Tawhidic* declaration, (b) roles and duties resulted from the *Tawhidic* declaration, and (c) the guiding core values to reinforce and enforce the *Tawhidic* understanding and actions.

Figure 1 depicts three main components. The *Tawhidic* paradigm reflects true submission to Allah and absolute devotion to His Commandments. As a result of the recognition of *kalima shahaada*, man has to resume two fundamental yet inter-related roles – servant and vicegerent of Allah. The roles must be implemented with due diligence – trust and justice.

Figure 1: Important Elements of *Tawhidic* paradigm



The concept of *Tawhidic* paradigm implies unity with primary duty of promoting goodness and preventing evil in all aspects of life. Ibn Taymiyyah (1990) has discussed extensively the connection of *Tawhidic* -unity concept into the immediate tasks of promoting goodness and preventing evil. This understanding can be operationalized or easily implemented by owners and managers into the organizational action plan to address it proactively rather than reactively. The mechanism to instil this value is through sustainable approaches such as education, awareness, circle of quality and so forth.

The basis for the model is based on *Tawhidic* paradigm that emphasizes on commitment, loyalty and undivided faith towards the responsibilities and tasks prescribed by Allah. Ibn Taymiyyah (1990)'s approach to address corporate wrong doing is based on *Tawhidic* paradigm (Islamic monotheism) or in other words is the Divine mechanism.

Public policy making orientation in Malaysia

The main purpose of public policy is to provide guideline for governments to implement the idea and philosophy of government. Public policy making is dynamic in nature due to the need to respond to changes in the society, economic, politics and the environment (Kern, Kuzemko, & Mitchell, 2014). Any changes in the public would bring betterment to the public and the economy through sectorial innovation (Freel, 2003).

Public policy making often targets on the societal driven change (Hall, 1993), which reflects the need of the people as the principal stakeholders of a country. The process needs to be ethical (deLeon, 1996) and to reflect the national and societal need as the funding for the public policy is derived from the public fund (Salter & Martin, 2001). The execution of the policy requires commitment and support from everyone (Freel, 2003; Howells, 2005; Huffman & Quigley, 2002; Kern et al., 2014; Lofsten & Lindelof, 2002).

While there is a vital need to respond to changes and to fulfil the need of the stakeholders, public policy making orientation remains essential to ensure that people can earn a living in peaceful and harmonious situation. The main orientation of Malaysian economic policy is to encourage for national unity among the people for the economic prosperity of the country. An analysis on the economic development thinking by a few researchers for example Drabble (2000, pp. 247-247, 121-147, 181-194, 235-266), Spinanger (1986, pp. 42-62), Jomo (1990, pp. 101-117), Ali (1992, pp. 6-31), Rasiah (1995, pp. 48-49, 52-57), Gomez (2003, pp. 59-67) and Samad (1998, pp. 62-104) suggested that the unity of people and economic prosperity are operationalized into three core elements: (a) cost effective ease of doing business, (a) provision of facilities and tax allowances, and (c) the supportive macro and micro economic policies at various levels of the community. In other words, people are free to practice their religious faith and free to participate in the economy as they wish to, but with mutual respect and within the legal and socio-economic framework.

National unity in every aspect of life is essential to ensure social, economic and political stability. With this background, people with their respective unity in faith and action, they reduce the uncertainty and cost which contribute to the fast growth of the economy (Ali, 1992, pp. 55-56). Unity in this sense requires full support from all parties (Samad, 1998) and ready to work diligently for the better future (Mahathir, 1991).

The notion of unity is not confined to on the policy papers, but should also be translated into dedicated industrial zones for the purpose of economic wellbeing. Rasiah (1995, pp. 199-200) argued that the industrial unity element in the economic policy was to assure economic growth through "Free Trade Zones (FTZ)". Unity in terms of providing good facilities for the sake of acquiring foreign expertise and technology is essential for the country (Rasiah, 2003a). In the contexts of developing nation, there is always dilemma between encouraging the industrial development with foreign technology and developing indigenous technology through technology and knowledge transfer mechanisms (Rasiah, 2003b).

The industrial unity zone is commendable, but it has to be operationalized in terms of the sharing of economic prosperity. Jomo (1990, p. 143) argued that the unity element in the industrial and economic papers has addressed the remarkable fair economic distribution of economic wealth. There is always a perception of economic inequality and uneven development (Jomo, 1986), despite the experience of economic growth and prosperity (Jomo, 1990). The unity agenda remains vital despite criticism about inequality and unequal distribution of wealth for the sake of unity among people, political stability, and ability to participate in the economy without huge cost of uncertainty (Jomo & Hui, 2003).

Unity in diversity remains an important agenda in Malaysian economic policy making. The pattern of politics, the patronage system and distribution of wealth within a specified circle has been commendable effort to stabilize the politics, society and economy (Gomez & Jomo, 1997). Although it

may not be desirable for long term such as the affirmative orientation of economic policy (Gomez, 2003), for the sake of unity, it deserves a considerable merit. Gomez (2003, pp. 60-64) argued that the government's desire to maintain the political stability necessary to achieve good economic performance has motivated the government to formulate hedonic style of economic policies that are foreign direct investment friendly.

The unity and prosperity orientation in the public policy making particularly the economic policies is commendable for developing countries to provide basic needs to people and to generate commendable national income to boom economic activities. According to Drabble (2000, pp. 121-147), the unity and prosperity approach is reasonable to encourage economic growth and at the same time to address the poverty situation because poverty can counter the progression of economic growth. Therefore, it is commendable and rationally acceptable for Malaysian public policy making to be consistent with the unity-prosperity approach to ensure economic activities (Drabble, 2000, pp. 152-154, 181-187).

The unity-prosperity emphasis in the industrialization can be examined into two different situations (Jomo, 1990, pp. 118-165; Gomez, 2003, pp. 59-64; and Drabble, 2000, pp. 181-187). Firstly, the free market system, allows unity-prosperity and market forces to determine the production and prices in the economy. Secondly, the unity-prosperity through the affirmative action has been instrumental to ensure equal access and distribution of wealth not in the conventional free market mechanisms. Although Jomo (1990, p. 166) argued that the affirmative economic action under the New Economic Policy (NEP) in 1970 meant that the economy was no longer determined by the market forces, but was under the government's influence. As such, the second situation was influenced by the NEP, in which the government directly controlled the economy. The government's justification for the decision to implement the NEP was to eradicate poverty and restructure society (Gomez 2003, pp. 59-60).

The unity-prosperity driven public policy making through economic policies can be examined through the five-year economic plans (Drabble, 2000, pp. 197-206). The first public policy making began with import-substitution industrialization during the First Malaya Plan (1950-1960), and then continued with labor industrialization approach administered through the Second Malaya Plan (1961-1965) and the First Malaysia Plan (1966-1970). (Malaya is the precursor to present day Malaysia). The unity-prosperity is evident in the First Malaya Plan and the Second Malaya Plan although they were implemented in Peninsular of Malaya only. Malaysia was formed in 1965 when Sarawak and Sabah joined the Federation of Malaya government. The inculcation of the hedonic aspect of the economic plan was carried out by the government to attract foreign companies to invest in the manufacturing sector (Rasiah, 1995, pp. 56-57).

The unity-prosperity orientation has been firmed so far for the nation despite the resistance from foreign companies. The desire of the government to attract foreign investment into the country was further extended when it introduced the Investment Incentives Act in 1968, which was a revised version of the Pioneer Industries Ordinance of 1958. The government's interference with the unity-prosperity economic package in the economy was introduced under the Second Malaysia Plan (2MP) (1971-1975) and the National Economic Policy (NEP) (1971-1990).

The unity-prosperity element to foster national unity and economic prosperity is more dominant. Jomo (1990, pp. 128-130) argued that the capital intensive industrialization era was due to the intensity of the investment in high technology (advanced machinery) by foreign and local companies. Malaysia's focus on promoting capital intensiveness was inspired by the development of heavy industries in newly industrialized countries, such as Japan, South Korea and Taiwan. Prior to this period, the government had encouraged technology transfer between local and foreign companies involved in manufacturing (Ali 1992, pp. 95-96).

The implementation of capital intensive industrialization was in two phases (See Jomo (1990, pp. 128-132), Ali (1992, pp. 95-96), Samad (1998), Drabble (2000, pp. 235-266) and Rasiah (2003a, pp. 785-791)). Phase 1 was the period between 1981 and 1985 and Phase 2 was between 1986 and 1995. The first phase was implemented under the Fourth Malaysia Plan (4MP) (1981-1985), the New Economic Policy (NEP) (1970-1990) and the First Outline Perspective Plan (OPP). Within that framework, the implementation of the capital intensive industrialization was limited to fulfilling the national agenda to eradicate poverty, to restructure society, and to encourage Malay participation in the economy. In this first phase, however, most of the work involved preparing to move into the high technology sector.

The government implemented the Fifth Malaysia Plan (5MP) (1986-1990) together with the First Industrial Master Plan (IMP) (1986-1995) and the Promotion Investment Act (PIA) 1986 in order to stimulate the economic growth through capital-intensive export orientated industrialization, as an immediate response to a quick recovery from the recession (1984-1985) (Ali 1992, pp. 32-37).

The task of developing a sound economy was shared with the private sector through a national plan for privatization (Jomo 1990, pp. 143-165). This was known as the Privatization Master Plan, which was introduced in 1991 (Malaysia, 1991a, pp. 2-5). This plan was part of a post-NEP economic development instrument called the National Development Policy. This policy was incorporated into the Sixth Malaysia Plan (1991-1995), the Second Outline Perspective Plan (OPP2) (1991-2000), and Vision 2020 (1991-2020) (Malaysia, 1991b, 1991c, 1996a, 1996b, 2001a). The macroeconomics of Malaysian economy have been measured based on four quantitative (hedonic) factors, namely Gross Domestic Product (GDP), labour, capital and Total Factor Productivity (TFP). Table 1 shows the presence of unity-prosperity element in latest decade of Malaysian economic policies (1991-2010).

Table 1: Unity-prosperity in the Factors of Productions for Malaysia's Economy (1991-2010)

Factors	6 th Malaysia Plan (6MP) (1991-1995)		7 th Malaysia Plan (7MP) (1996-2000)		8 th Malaysia Plan (8MP) (2001-2005)		9 th Malaysia Plan (9MP) (2006-2010)	
	Growth	Share	Growth	Share	Growth	Share	Growth	Share
GDP	9.5	100	4.7	100	7.5	100	6.1	100
Labour	2.3	23.9	1.2	25.0	1.6	21.5	1.4	28.5
Capital	4.7	50.2	2.3	50.2	3.1	41.3	1.7	36.7
Total Factor Productivity	2.5	25.9	1.2	24.8	2.8	37.2	1.1	34.8

Note: GDP – Gross Domestic Product

From Economic Planning Unit (2002, 2008)

The Sixth Malaysia Plan (6MP) (1991-1995) and the Second Outline Perspective Plan (OPP2) (1991-2000) were medium-term economic planning tools intended to stimulate the development of the high technologies associated with the heavy industry sector (Malaysia, 1991b, 1991c). This policy was the government's attempt to address unemployment and slow economic growth. Vision 2020 was launched in 1991, and was a long-term economic plan for Malaysia to become an industrialized nation by the year 2020 (Mahathir Mohamed, 1991, pp. 2-3).

The presence of unity-prosperity was evident when the capital driven economy combined with the development the citizens' potential such as the knowledge-based economy plan. Rasiah (2003b, pp. 305-333) argued that the government's decision to develop a knowledge-based economy was due to the presence of semiconductor manufacturing that produced electronic components for digital technologies associated with new information and communication technologies (ICTs). The government introduced the Seventh Malaysia Plan (7MP) (1996-2000) and the Second Industrial Master Plan (IMP 2) (1996-2005) that incorporated policies designed to develop a knowledge-based economy in order to increase productivity and to generate new sources of economic growth (Malaysia, 1996a, pp. 1-11, 1996b, pp. 2-7, 2001a, p. 11). Investment incentives were essential to mobilize the economy. Table 2 summarizes the development planning documents for Malaysian economic plans (1950-2010) with the emphasized on unity-prosperity approaches.

Table 2: Development Planning Documents for Malaysian Economic Plans (1950-2010)

Plan Title	Duration	Date Tabled
First Malaysia Plan	1966 – 1970	25 Nov 1965
MTR First Malaysia Plan	1966 – 1970	25 Jan 1969
Second Malaysia Plan	1971 – 1975	25 Jun 1971
MTR Second Malaysia Plan	1971 – 1975	20 Nov 1973
Third Malaysia Plan	1976 – 1980	5 Jul 1976

Plan Title	Duration	Date Tabled
MTR Third Malaysia Plan	1976 – 1980	3 Sept 1997
Fourth Malaysia Plan	1981 – 1985	16 Mar 1981
MTR Fourth Malaysia Plan	1981 – 1985	29 Mar 1984
Fifth Malaysia Plan	1986 – 1990	21 Mar 1986
MTR Fifth Malaysia Plan	1986 – 1990	23 Jun 1989
Outline Perspective Plan (OPP) 2	1991 – 2000	17 Jun 1991
Sixth Malaysia Plan	1991 – 1995	7 Oct 1991
MTR Sixth Malaysia Plan	1991 – 1995	16 Dec 1993
Seventh Malaysia Plan	1996 – 2000	5 Jun 1996
MTR Seventh Malaysia Plan	1996 – 2000	22 Apr 1999
Outline Perspective Plan (OPP) 3	2001 – 2010	3 Apr 2001
Eight Malaysia Plan	2001 – 2005	23 Apr 2001
MTR Eight Malaysia Plan	2001 – 2005	30 Oct 2003
Ninth Malaysia Plan	2006 – 2010	31 Mar 2006
MTR Ninth Malaysia Plan	2006 – 2010	26 June 2008
Tenth Malaysia Plan	2011 - 2015	10 June 2010

Note: MTR- Mid Term Review

Source: Government of Malaysia (1965, 1971a, 1971b, 1976, 1981, 1986, 1991a, 1991b, 1991c, 1996a, 1996b, 1999, 2001a, 2001b, 2003, 2006, 2010)

Malaysian Cabinet Ministers, government agencies, and civil servants work to support ethnic harmony, national unity, and efficient governance. Several themes emerged during the celebrations of National Day, namely “*Rakyat Didahulukan, Pencapaian Diutamakan*” (People First, Performance Now) (2009), “*Menjana Transformasi*” (Generating Transformation) (2010), and “*Transformasi Berjaya, Rakyat Sejahtera*” (Transformation Successful, People Prosperous) (2011). The core of 1Malaysia is national unity and ethnic tolerance. The 2010 values of 1Malaysia as articulated by Najib Razak are perseverance, a culture of excellence, acceptance, loyalty, education, humility, integrity, and meritocracy. In essence, the Tenth Malaysia Plan (2011-2015) incorporated the ‘1-Malaysia’ concept to enhance the nation’s competitiveness. Prime Minister Dato’ Sri Mohd Najib (Malaysia, 2010) said:

The Tenth Malaysia Plan houses the aspirations of both the Government Transformation Programme and the New Economic Model, premised on high income, inclusiveness and sustainability. It charts the development of the nation for the next five years, anchored on delivering the desired outcomes for all Malaysians. The Tenth Plan sets the stage for a major structural transformation that a high-income economy requires. The Plan contains new policy directions, strategies and programmes that enable the country to emerge as a high income nation. The national development programmes are attuned to the six National Key Results Areas, outlined in the Government Transformation Programme, the National Key Economic Areas of the Economic Transformation Programme and the strategic economic reforms in the New Economic Model. The Plan details strategies towards a more focused role for the Government as a regulator and catalyst while upholding the principles of 1Malaysia: People First, Performance Now to ensure effective delivery of services.

The policy formulation or crafting requires the policy makers to have a big picture or sky views about the organization. More importantly, Economic Planning Unit (EPU) and Performance Management and Delivery Unit (PEMANDU) through consultative meeting with various stakeholders proposed 12 National Key Economic Areas (NKEAs) as at the core of the ETP. Each NKEA carries important weight as catalyst of economic activity. Figure 2 depicts the major policy used by the government to participate in the new economic model.

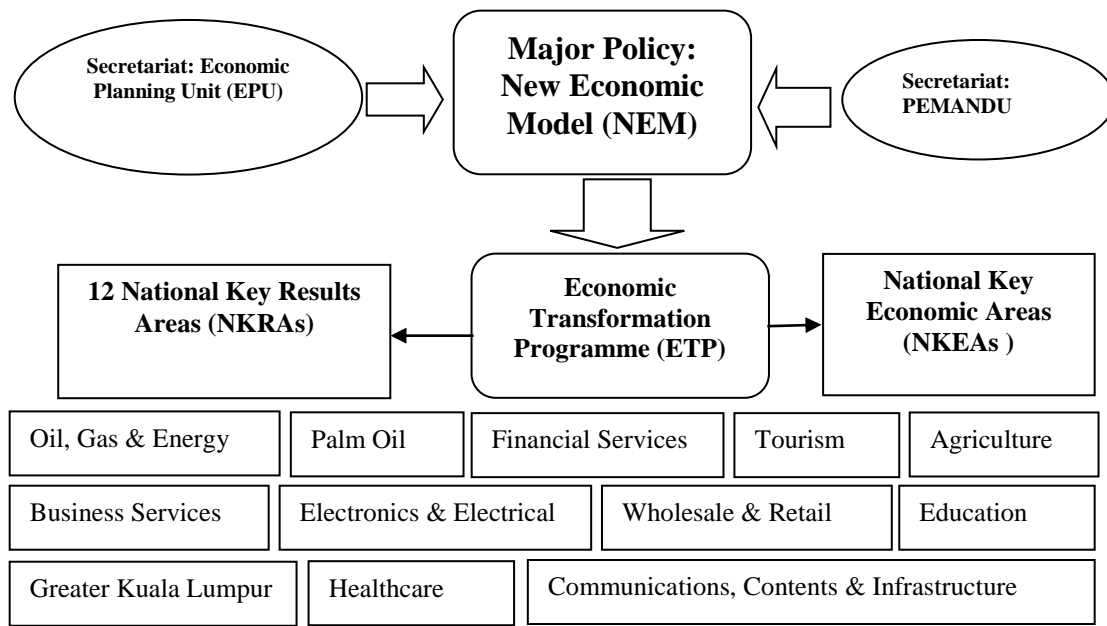
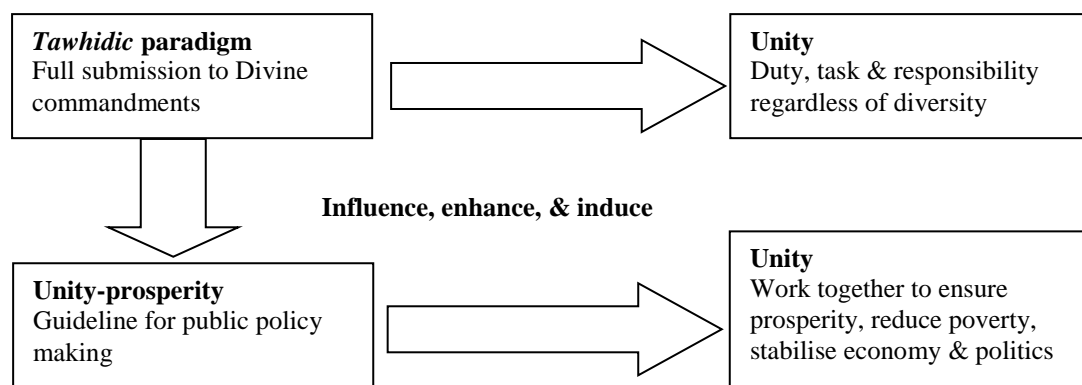


Figure 2: New Economic Model and ETP
Source: PEMANDU (2010)

The *Tawhidic* paradigm emphasises on the execution of primary duty as servants and vicegerents of Allah that guided by the *Qur'anic* and Prophetic teachings. The unity concept in the *Tawhidic* paradigm reflects the unity of Divine Command and Guidance, with the objective of people to submit fully to the Divine Wish. The primary orientation of public policy making in Malaysia is unity-prosperity that emphasizes on unity among people or unity in diversity and translates the unity-prosperity-diversity into ideas, decisions and actions to generate maximum wealth for the nation while not forgetting to address poverty eradication and encouraging national unity despite the diversity in terms of faith, culture, and preferences. The unity-prosperity orientation in the public policy remains unchanged despite the changes in the economic landscape globally. Based on the above discussion, Figure 3 depicts conceptually the possible position and potential influence of *Tawhidic* paradigm in the public policy making.

Figure 3: Conceptual Framework of the study



METHODOLOGY

This study aims to examine the effects of *Tawhidic* paradigm on public policy making in Malaysia. It employs qualitative research. The qualitative research approach allows the study to be explored and examined deeply due to the tacit nature of the information, which could not be done adequately by

quantitative methods, such as survey (Miles & Huberman, 1994; Patton, 1990). The study used personal interview with five public policy makers to obtain their feedback based on their public policy making experience. The main question asked was “in what ways, means, approaches, or preferences did you use, apply, adapt, or adopt in formulating the economic public policy?” The study used note-taking and the interview results were transcribed and verified with the informants. Due to the confidential nature of the information provided by the informants, their names and affiliated organizations were not disclosed.

FINDINGS AND DISCUSSION

The main objective of the study is to examine the effects of *Tawhidic* paradigm on public policy making in Malaysia. The study solicited the opinions of five policy makers to answer one broad, open-ended question, which was “in what ways, means, approaches, or preferences did you use, apply, adapt, or adopt in formulating the economic public policy?”

Top down approach that is guided by national agenda is the fundamental in the public policy making. According to Policy Maker 1, the fundamental remains as guiding policy for the public policy making despite the creative or innovative approach in getting the policy done. There has been the use of current or modern approaches in the policy making and also to use Islamic values as part of the policy making process. Policy Maker 1 said:

It is always top down approach. The premier leadership determines the national direction for policy makers to formulate policies that meeting the national agenda. A special task force will be formed and gathered input from all stakeholders. We used consultative approach with important stakeholders of the country. In the consultation, we received both constructive and destructive input. Some praised our agenda, and certain quarters just criticized without a concrete alternative. Once we gathered all the input, we will present to the premier leadership before making new policy or new bill if necessary. Sometimes we can amend the current policies, but for new agenda, we need new policy and new bill to support them. The current premier leadership emphasized on moderation or wasatiyyah and we also used the Maqasid al Sharia approach.

A few lessons can be obtained from the feedback of Policy Maker 1, namely the need to have national agenda as guiding process, consultative approach, and the use of contingency or alternative paradigm into the process such the Islamic concepts of moderation and compliance to Islamic values.

While Policy Maker 1 explained the fundamental principles for policy making process, Policy Maker 2 deliberated on the structure of the policy making process that involved executives and government officers. At the same time, the modern idealism and approach are used in the process. Policy Maker 2 argued:

There are two levels of policy process in our country. The first level is the policy formulation and the second level is the policy implementation and evaluation. The law makers or members of parliament and senate houses provide input to the Executive of the country like the Prime Minister and the ministers. The law makers did not formulate policy, but they provide input to the Executive. The input will be given to the policy implementers to fine tune the input with the national agenda and unfinished agenda. The process is always interactive and through consultative process. Even in the Cabinet of Ministers, they practiced Shura or consultative approach in the meeting. This is the way we do things in this country, which is always moderate and considers all stakeholders.

Policy Maker 2 emphasized on the structure of the policy making process as basis to understand how the policies are formulated, implemented, evaluated and enhanced. The same sentiment and emphasis echoed by Policy Maker 3. Policy Maker 3 commented:

Policy making is just like coming out with guidelines, procedures, and approaches on how the objectives can be implemented, monitored, and evaluated. There are two groups of people involved. The first group is the executives, comprised of Prime Minister, Deputy Prime Minister, and Ministers (together with their deputy ministers). The second group is the government

officers, from Chief Secretary to the Government, Secretary General of Ministries, Director General of Departments, Chief Armed Forces, Inspector General of Police to all officers and staff of government agencies, units, and machineries. These two groups are actively involved in the policy making process. As government officers, we involved at the formulation, implementation, and evaluation. It is just a process, therefore, cannot be done on isolation.

The emphasis on the structure and overview of policy making process is essential to know which idealism, philosophy and direction that influenced the policy making process. While Policy Makers 1, 2 and 3 have emphasized on the fundamental requirement for policy making process, Policy Maker 4 argued that the fundamental has been simplified into a national concept for unity and prosperity, namely the *Rukunnegara* (Nation's Pillars). Policy Maker 4 said:

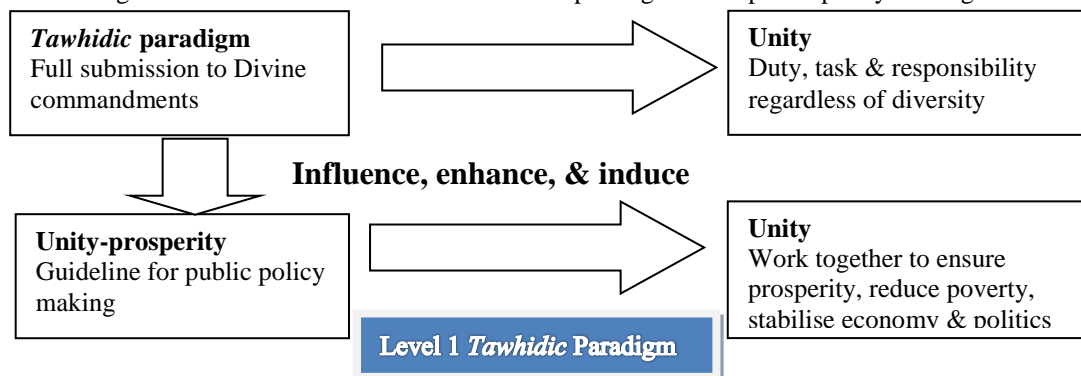
The government has its standard operating procedure on how to formulate, implement and evaluate policies. The basis for this procedure is the national agenda, the law, the constitutions, and so on. The rule of law is applied. No one is above the law. We have to follow the law in formulating the policies. We can't simply get rid or ignore this fundamental when we do things in the government. We can't simply follow the trend or to react to the demand of the public without having rule of law. It is simply the Rukunnegara, one of the pillars is the rule of law. No such thing to favour certain departments or leadership. Sometimes we can follow the trend after we made amendment to the law. We need law to stabilise the country.

The *Rukunnegara* is one way to simplify the Federal Constitution and social contract to ensure unity and prosperity can be attained and enjoyed by the people. With this regard, Policy Maker 5 has pointed out the supreme reference for policy making and action is based on the Federal Constitution. Policy Maker 5 contended:

The spirit of federalism in the governing the country is part of the governing fundamental and structure of the country. The supreme reference is the Federal Constitution. The states have their rights and also mentioned and respected in the Federal Constitution. We do not want people to be split and disunited. Our fundamental is always national unity as the prerequisite for economic, political and societal stability. The federal religion is Islam, and at the same time, people are free to practice their choice of faith or religion. The social contract of respecting each other is very important. When everyone is faithful, it is easier for everyone to earn for living and can participate in the economy actively.

Based on the above findings and discussion, the feedback from the informants about the effects of *Tawhidic* paradigm into public policy making do exhibit some levels of *Tawhidic* paradigm but inadequate to sustain wealth creation. There are three levels of *Tawhidic* paradigm, firstly the awareness, followed by reinforcement, and finally the enforcement. The informants (Policy Makers 1, 2, 3, 4 and 5) have been consistently argued that the fundamental requirement to public policy making is the Federal Constitution together with social contract and other values. Since Islam is the federal religion (official religion of the federation), the influence of Islamic values has been part of the federalism. Rather, the Islamic values are shared with other universally accepted general values. Figure 4 illustrates the findings of the study.

Figure 4: The influence of Level 1 *Tawhidic* paradigm in the public policy making.



IMPLICATIONS FOR THEORY AND PRACTICE

Theoretically, *Tawhidic* paradigm is part of contingency theory in the studies of economics and management sciences, along with other contingency theories to provide different thinking to the existing theories of economics and management sciences. This study contributes to Level 1 *Tawhidic* Paradigm understanding into the contingency theories. Apart from Level 1, *Tawhidic* Paradigm has two more advanced levels, namely Level 2 and Level 3. Level 2 *Tawhidic* Paradigm refers to the reinforcement of the awareness into policy, action and decision, and Level 3 refers to the enforcement of *Tawhidic* Paradigm into all policies, actions, and decisions.

In practice, the emphasis of *Tawhidic* Paradigm does not appear to have been extended to deeper levels. It only reflects awareness and encouragement to practice Islamic values, which are consistent with the universally accepted values. The practice of public policy making is not only to the complementary process such as the consultative or Shura process, but also to the entire process of public policy making (from preliminary, formulation, implementation, evaluation, and enhancement stages).

LIMITATIONS AND FUTURE RESEARCH

The study used qualitative research method through personal interview with five policy makers with one general question. The study could get more information from the informants, but due to the limited time and nature of the informants' context, the study could not go beyond the limit. The results of the study are context-embedded and cannot be generalized. It is sufficient to understand the issue of the study at the preliminary level. The future research should use triangulation method – both personal interview and case study approach to get more information from various groups of informants (both policy makers as executives and government officers).

CONCLUSION

The perceived effects of *Tawhidic* paradigm have been limited to level 1 of *Tawhidic* paradigm which is the integration of conventional paradigm and universal accepted Islamic values. Level 1 *Tawhidic* paradigm is at the stage of awareness, which is insufficient to integrate the full principles of *Tawhidic* paradigm into the public policy making process. Nevertheless, the findings can be used as basis to improve the public policy making process from Level 1 (awareness) to the higher levels of *Tawhidic* paradigm. While the results may be sufficient for awareness, they are far from fulfilling the other requirements of *Tawhidic* paradigm.

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