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Malaysia Moves towards Cash-less: Political & Economic Impact on Society

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Introduction

Malaysia has achieved in its economic development as well as about its progress as a nation . Malaysia has been able to attract quite substantial amount of foreign investment over the years. Between 1991 and 1996 foreign direct investment worth 66.7 billion ringgit that translates to about 26.3 billion dollars have taken place in the country. In 2017, the FDI reached to RM570.3 billion . It is huge amount. Unemployment rate is less than 3%. The story of glaring development is very interesting. Public investments through the Economic Transformation Program are expected to accelerate in the future, as the implementation of large infrastructure and investment projects gather momentum and are funded by government-linked companies. Furthermore, these investments have also bolstered private manufacturing, services, and mining sectors in targeted growth corridors. The Economic Transformation Program has made great strides in liberalizing crucial manufacturing and services activities to pull in a skilled labor pool and relax restrictions on capital mobility. But more can be done: Policymakers should promote entrepreneurship and innovation to begin reaping the benefits of information networks and skilled labor before the gains from cheap labor and knowledge spill-over are exhausted. Rapidly expanding the secondary and then tertiary education system will be critical in producing graduates with the skills that employers require. Highly skilled workers and professionals are an indispensable ingredient of high, valued-added, modern services and manufacturing. The "skills crisis" is a well-known shortcoming of the Malaysian economy. Malaysia is a newly industrialized country that experienced an economic boom and underwent rapid development during the late 20th century. The number of digital economy studies has mushroomed in recent years, both in the private sector (consultants, think tanks) and in the public sector (public institutions, international organizations). The varying scope of these studies reflects the many dimensions of the digital economy. A bold undertaking from the get goes, to attempt to get a 'feel' of the pulse of Malaysia's Digital Economy. But it was also important enough that Digital News Asia felt we had to do it. After all with so many aspects of life and work going digital, it will be sooner rather than later that the word "digital" will not be used with "economy", that's when you know that digital has hit mainstream with strong economic growth not possible if not underpinned by robust digital based business and processes. This paper intends to explore the facts behind the impact of digitalization on Malaysian economy.

Methodology

I have followed two methodologies in this paper, such as---- **Content analysis method** and **Observation method**. I have taken help from both primary and secondary sources.

Problems under Investigation

There are few problems under the investigation. The collection of adequate data is one of the barriers to work on this topic .The rapid growth of economy and randomly changing nature of the

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Impact Factor 3.765

economy is another problem. The continuous change of foreign policy and economic policy are also vital problems.

Research Questions

This paper has been prepared on the basis of three research questions—

1. Whether globalization plays as a catalyst for digital transaction?
2. Can digital transaction change the economy of a state?
3. How can a Multi-ethnic and post Colonial state can handle the digital transition with a preventive outlook?

Concept of Digital Transaction

Aristotle said, everything must be assessed in money; for this enables men always to exchange their services, and so makes society possible. The electronic payment is defined as a payment services that utilize information and communications technologies including integrated circuit (IC) card, cryptography, and telecommunications networks. The need for electronic payment technologies is to respond to fundamental changes in socio-economic trends. The payment system is the infrastructure which comprised of institutions, instruments, rules, procedures, standards, and technical, established to affect the transfer of monetary value between all the parties. An efficient payment system reduces the cost of exchanging goods and services, and is indispensable to the functioning of the inter-bank, money, and capital markets. However, a weak payment system may severely drag on the stability and developmental capacity of an economy; its failures can result in inefficient use of financial resources, inequitable risk-sharing among agents, actual losses for participants, and loss of confidence in the financial system and in the very use of money.The major difference between IPS and other EPS is that IPS uses the Internet as a medium to transfer financial information, whereas the other EPS use private or government communications channels. It is also important to note that very often, card-based payment systems (such as credit, debit or charge cards), are also defined as retail-based electronic payment systems. These card-based payment systems are mainly used with other types of EPS to maximize the benefits of electronic banking and some corporations such as MasterCard, Visa, DEC, IBM or Microsoft (**Raja,Velmurgan,Seetharaman, 2005:1**).

Reasons behind Digital Transaction

The success of electronic commerce depends upon effective electronic payment systems. The Internet and on-line businesses are growing exponentially. Due to this explosive growth, electronic commerce on the Internet uses various electronic payment mechanisms that can cater for much diversity of applications. This paper discusses the evolution and the growth of electronic technologies in monitory transaction in Malaysia, which can provide more advanced technical supports for electronic payment systems. There are some reasons behind the introducing of digital transaction in Malaysia—**Firstly,** Change of nature of Malaysian economy towards liberal economy following the globalized economic trends. **Secondly,** Introducing of E-customer based relationship system. **Thirdly,**Advent of Science and technology and **Fourthly,**Supports of Malaysian government for structural adjustment with global economic system.

The economically vulnerable post-colonial states are suffering from severe multi-dimensional financial crises. This re-colonialism or globalization has had catastrophic consequences on the livelihood of billions of people throughout the third world. Over the decades, first world countries are

Vol. 10 No. 1-2, March-Sep. 2019
ISSN : 0976-0237
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Impact Factor 3.765

imposing their rules and policies on third world countries. The economic order being imposed on them is killing hunger and preventable or curable diseases more men, women and children in every three years than all those killed by World War II in six years (Castro, 2000**:**30).

The more country becomes a trading economy, the more the economy is influenced by what goes on outside (Nicholson, 2008**:** 178). If a developing country adopts the policy of economic globalization, then few thinks are to be keeping in mind, **Firstly,**There is a general control of the economy, **Secondly,** States need to increase taxes in order to provide all services such as education, defence, health and so on. There is a million dollar question that how far the state should be involved in such activities and how active it should be in providing *collective goods* and **Thirdly,** One of the ways of doing this by *offshore* activities. One form is widely familiar, namely, duty-free sales at air ports and on ships. Through tax avoidance, developing countries can set up banking systems involving very light taxation. The impact of globalization has greatly influenced on Malaysian economy. The policy of economic liberalization has really boosted up the entire economic structure. There was a balance between internal economy and international economic order.

Beginning of Economic Growth

There are some factors behind the rapid economic growth in Malaysia. According to statistics of 2018, the literacy rate is now registered at more than 93.12% . The budget for education is nearly one quarter of the annual budget. So there is a lot of emphasis on education, training and human education. Primarily, Malaysia had to face lot of problem due to unavailability of labor-force(Isa,1996 :19). Now it has been able to make its own labor-force for production. Government is encouraging exports by discouraging imports. With the emergence of sizable middle class it is getting higher rate of consumption. Its quick move towards digital economy has immensely helped to develop3d its economy. Malaysia had adopted the policy of economic liberalization; but there was a difference between the Malaysian case and rest the third world countries. Since the early 1990s it was alert about the danger of overdependence on capitalist countries. It has tried to maintain a balance between internal economy and external economic milieu. It has been an open secret that in the name of globalization, open market, foreign direct investment (FDI) and free trade capitalist powers and MNCs are re-entering in the third world countries. Several Banks of capitalist countries have been the determinants of third world countries economy. Economic globalization is the integration of national economy with the global economy. Indeed, it is the natural outcome and the end result of economic development processes in any nation. The internal dynamics of the financial system of a country is detrimental to the economic sovereignty of states. In most of the cases a country's financial system and monitory policy are too changed for attracting the MNCs. Often third world countries are failed to protect their economic sovereignty. According to a noted International Relations expert, Professor JayantanujaBandyopadhyaya, 'the contemporary process of economic globalization has been initiated and thrust upon the rest of the world, particularly the Third World states (Bandyopadhyaya, 2002**:** 36).' Process of development pushes the economy going global. It is done primarily through liberalizing trade and liberalizing capital investment. In its fullest form it is a borderless economy where, as opposed to a regime of restriction and protection, there is a regime of free trade of all inputs. The process of globalization has been a long one and there is no reason to suppose that it is over yet. Through the cultural imperialism globalization manifests the Western life style. The developing countries have adopted this culture as tools of post-modern phenomenon. In many cases, clashes are found between western powers culture and indigenous culture of a particular country. Both structural and cultural adjustments are essential for implementation for globalization properly. If it is done with a rational balance then it can be helpful for developing countries. Once any sort of trade takes place

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there is some diminution in sovereignty in that the variations in trade are out of control of a government while affecting its economy.

In early 1990's, government had financed external and internal investment that is why a huge fiscal deficit was found in Malaysian economy. At the beginning, Policy makers couldn't realize the actual problems. Later, it was decided by economist and policy makers that through financial standardization, economic diversification, deregulation and financial liberalization the economic scenario of the country can be changed. To enhance a country's economic growth it is very essential in presence of a vibrant democratic structure and a sizable middle income group. In case of Malaysia, of the above mentioned measures could able to resolve this problem. The economic reforms have transformed the economy from uncertainty and instability to a promising and stable market. Actually, due to economic reform into a middle-income emerging market. In late 1990's entire world economy had gone through severe economic problems. Additional hazard was inflation. The countries of East Asia, on an average had passed through economic crises, unemployment and stagnancy in economic growth. But Malaysia was an exceptional. In 1997, most the East and South East Asian states have had the low growth of GDP, whereas, then on an average Malaysian GDP growth was 8.5%. It was a miracle, because the rate of unemployment was only 3%, which was as good as most advanced European countries. In spite of few problems, the government of Malaysia was able to rightly handle the country's economy with a new international economic outlook. Due to high offshore interest rates, foreigners had large ringgit holdings, establishing liabilities for the Malaysian banking system.

The financial liberalization measures were manifested in several policies to attract FDI. Government had decided to opened-up its market and encouraged private initiatives to contribute its market. For Malaysia, the potential volatility of this regime was realized in 1995when U.S. and Japanese policymakers agreed to initiate a controlled appreciation of the dollar — to which the Malaysian ringgit (MR) was pegged —relative to the yen. The indirect effect of the initiative was an appreciation of the MR, which then had a number of damaging spills over effects on Malaysia's economy, including a decline in export competitiveness, an expanding current account deficit, and an increasingly unsteady exchange rate regime. In this connection, it might be relevant to understand the financial crisis of late 1990s in South-East Asian nations, especially, the financial crisis of 1997.

Information Technology and Digital Transaction

There is a close connection between information technology (IT) and digital economy. With the advent of information technology, the growth of digital transaction has been rapidly increased in the Malaysian economy. Malaysia has started to move towards digitalization of its economy a couple of years back. Gradually, it has been moving towards total digitalization with the help of IT. To adjust its indigenous economy with the main currents of world economy it has taken this decision. Although, Malaysian government has been trying to outsource the technology, now, it is in a stable position.The financial services industry has been subject to dramatic changes over the past decades, as a result of advances in IT, deregulation, and globalization. These changes have reduced margins in traditional banking activities, leading banks to merge with other banks as well as with non-bank financial institutions.

In present world economy, Information Technology (IT) has been indispensable. It sector is one of the core sector through which a country can earn lot of foreign currency. With a limited capacity Malaysia has started to accelerate the growth of IT with a fine balance. Presently, Information Technology (IT) market has strong growth fundamentals, including low PC penetration, rising incomes and a high-tech-focused national development plan. Key sectors include government,

Vol. 10 No. 1-2, March-Sep. 2019
ISSN : 0976-0237
UGC Approved Journal No. 40903
Impact Factor 3.765

telecoms, finance, health and education. The market is somewhat fragmented – there is a sophisticated metropolitan market in and around Kuala Lumpur, but still very much a developing market in other regions.

The Malaysian IT market is import-oriented and relies on foreign technologies, with international software, hardware, and service providers already active in the market. There are promising opportunities in the IT services area, as the government is implementing measures to nurture Malaysia into a regional service hub. Outsourcing in key verticals such as banking and financial services is attracting investment in data centers and other infrastructures. The government has a number of long-term initiatives with favorable implications for demand for IT product and service, including investment in high speed broadband infrastructure. Internet penetration is at 56.4 per cent and the broadband penetration rate is expected to increase to 22.9 per cent in 2016, from 20.9 per cent in 2012. The total broadband market is forecast to achieve a$1.2 billion in annual revenue by 2015, with Fibber to the Home (FTTH), Fixed Wireless Access (FWA) and metro Ethernet (*Business Monitor International, Malaysia Information Technology Report Q1 2013*) MSC was set up in 1996 with the aim of building a competitive cluster of local ICT companies and a sustainable ICT industry. It is a national initiative to promote the transformation of the Malaysian ICT industry into world-class companies and to provide a test bed for the global ICT industry.

The Security Framework of Electronic Payments System

Security is the main concern of any new technology. Since the present century is the century of information and data, every technology which is working with, they are in exposure of data theft, stealing, and fraud. It is more dangerous when the data is about the money and the financial information. For so many companies and even individuals, the secrecy of information about the financial and their accounts and so many things like this, is highly important. If they lose a small amount of data, they may lose their all things. The growth of the Internet as a medium of transaction has made possible an economic transformation in which commerce is becoming electronic. The majority of trust theories are built upon the basis that there is a history of exchanges between partners (experiences), but the fluid and dispersed nature of e-commerce market makes the issue of trust hard due to the frailness to scale the reliability of participants. Strong and long-lasting business relationships have always been depended on trust. The transition to digital economy, forces enterprises not only to develop customer intimacy but also to ensure that security requirements are part of the customer relationship strategy. There are some risks of digital transactions, which are —1. Fraud Risk, 2. Money Laundering,3. Privacy & Anonymity, 4. The Technical Problems and 5. The Cultural Problems.

E-Banking

The evolution of the E-banking industry can be traced early 1970s. Banks began to look at E-banking as a means to replace some of their traditional branch functions for two reasons. Firstly, branches were very expensive to set up and maintain due to the large overheads associated with them. Secondly, E-banking products/services like ATM and electronic funds transfer were a source of differentiation for banks that utilized them. Being in a fiercely competitive industry, the ability of banks to differentiate themselves on the basis of price is limited (Singh, Chhatwal, Yahyabhoy and Yeo, 2002).E-banking is defined as the automated delivery of new and traditional banking products and services directly to customers through electronic, interactive communication channels (Goi, 2005:1).

Vol. 10 No. 1-2, March-Sep. 2019
ISSN : 0976-0237
UGC Approved Journal No. 40903
Impact Factor 3.765

All licensed banking institutions in Malaysia are allowed to establish informational Web sites, which is the first stage of business purpose and the basic online business activity, "promotion" (Ho, 1997). Only banking institutions licensed under the Banking and Financial Institutions Act 1989 and the Islamic Banking Act 1983 are allowed to offer Internet Banking services in Malaysia. For advanced Internet banking services, only domestic banking institutions are allowed to establish communicative or transactional Web sites with effect from June 1, 2000. However, locally incorporated foreign banks are only allowed to incorporate communicative Web sites from Jan 1, 2001 and transactional Web sites from Jan 1, 2002.

E-banking includes the systems that enable financial institution customers, individuals or businesses, to access accounts, transact business, or obtain information on financial products and services through a public or private network, including the Internet. Customers access e-banking services using an intelligent electronic device, such as a personal computer (PC), personal digital assistant (PDA), automated teller machine (ATM), kiosk, or Touch Tone telephone .The first virtual bank was the ATM. Other forms of virtual banking include telephone banking and home banking. E-banking services are typically classified based on the type of customer they support. The forces of consolidation are also having a profound impact on the operation of securities exchanges, as well as the brokerage and asset management industries .The merger programme of the banking institutions has resulted in the consolidation of 51 banking institutions into 10 banking groups. The mergers, which involved the consolidation of 96% of the total assets of the banking institutions was achieved with minimum disruption and dislocation to the system. This has been a major accomplishment by the domestic banking industry. The domestic banking groups are now in a position to reap greater benefits from economies of scale, through greater investment in technology and the more substantive pool of skilled staff. This will allow the banking institutions to make further gains on efficiency and competitiveness with each banking institution having attained the minimum of shareholders funds of RM2 billion and total assets of RM25 billion. The completion of the legal and operational mergers will place the Malaysian banking institutions in a better position to respond to the forces of change, in particular, to advances in technology and the greater demands for more customized and differentiated products and services by consumers and businesses.

To improve the financial industry in Malaysia, the banking system policy has evolved from financial sector restructuring during the late 1990s to institutional development and capacity building, and the development of supporting infrastructure to enhance efficiency and the strengthening of prudential regulation to enhance resilience and preserve stability. Positive results have been achieved on several fronts related to the adoption of the ICT to the E- banking system. First, domestic banking institutions have embraced a higher level of technology and improved business processes. Second, new delivery channels through innovative technology-based mechanisms such as internet and mobile banking have enhanced the delivery of products and services as well as widened access to banking services (Bank Negara Malaysia, 2004a).

As online transaction risks are many and varied, risk management must take into account the state of technology, the banking industry, and the non-bank competitors for payment business and adoption rate of new technology by the consumer. Bank Negara Malaysia a regulatory and supervisory approach to technology risks, which include three aspects. The first is research and collaboration among organizations such as banks, other central banks, vendors of technology and multi- lateral organizations like the Southeast Asian Central Banks (SEACEN) or the Bank for International Settlement (BIS). The second aspect is the issuance of minimum guidelines and

Vol. 10 No. 1-2, March-Sep. 2019
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UGC Approved Journal No. 40903
Impact Factor 3.765

standards for banking practices including the management of technology risks. Bank Negara Malaysia issued a guideline in relation to Internet banking that compels all banking institutions, which offer Internet banking services to adopt a rigorous risk management structure and system. This includes many online defensive mechanisms such as virus detection, intrusion management and authentication tools. The third aspect relates to the monitoring of risks and actual compliance to the standards issued. This involves a combination of off-site supervision, based on reports submitted by the banking institutions, as well as on- site examinations by examiners. Fundamental to all three aspects is the ability to understand and manage the complexity of technology risks, whether in relation to online transactions or otherwise (Sani, 2000).

E-Commerce and Electrical Transaction in Malaysia

Electronic commerce (e-commerce) has become a very important technological advancement for businesses in changing business practices .In particular, industries that are information n-orient- ted such as the banking services and securities trading sector are expected to experience the highest growths in e-commerce .Inevitably, this phenomenon has sparked a lot of attention in the academic literature lately reported that in response to increased competition, the larger banks in Malaysia had aggressively leveraged the internet. Local banks were given an 18-month-head start over foreign banks to launch online banking, as the Malaysian authorities pushed domestic banks to invest in technology to compete with global players (Haque, Tarofder, Rahman, Raquib, 2009:248-259). Hong Kong and shanghai banking corporation (HSBC) was the first foreign-controlled bank to launch a fully transactional online banking service in January 2002 when regulations permitted foreign banks to do so. Despite the authorities' encouragement to adopt technology in banking, traditional branch-based retail banking still remains the most common method for conducting banking transactions in Malaysia Electronic commerce (e-commerce) has become a very important technological advancement for businesses in changing business practices .In particular, industries that are information n-orient- ted such as the banking services and securities trading sector are expected to experience the highest growths in e-commerce .Besides that, success of banking industry depends on the capabilities of management to anticipate and react to such changes in the financial marketplace.

The banking industry is using the new communication media to offer its services to the customers with convenience. Moreover, changing consumer behavior and needs, globalization, deregulation, disintermediation and the emergence of new financial service models are all dynamics in the financial services industry. As prospect of e-banking depends on customers, there-fore specified that understanding customers' requirements and meeting their demand and expectations is becoming a challenge. With the growth of internet and the e-economy, the customer is in control and it is not difficult for them to move to a competitor's site (Shailey , 2003). The total customer experience (TCE) includes all stages of a customer's interaction with an e-commerce environment, such as the delivery of the service or product on schedule, the web-based retail site, the back-office systems and the post-sales support. To create value and to generate a positive TCE is important for banking environments in order to acquire customer's .Moreover, internet-banking adoption in Malaysia is relatively low and very little research has been done to understand the key adoption determinants.

Mobile Payment Usage in Malaysia

The proliferation of science and technology has improved methods of paying for purchases. The advancement of mobile devices has created a new business concept. Consumers will find it an inexpensive alternative means to ease their difficulties in making payments for goods and services. For example, consumers can make payment via mobile devices from anywhere at any time and for anything. Technologies such as SMS can create a simple transaction for an e-banking and e-payment process, which could provide lots of convenience to consumers (Beng, Tan Chew and EzeUchenna C, 2010:2). The increasing Internet and mobile applications have sharpened global awareness that technology advancement can drive the ability to manage firms better. However, technologies innovations are meaningless if people do not value these innovations as a way to meet their needs. The mobile technology is undeniably an important application for mobile commerce. However, the factors which determine mobile payment (mobile payment) usage are equally or more important. Thus, firms need to understand the benefits of m-payment, which could help in satisfying customers and possibly enable the firms to access greater business opportunities. The simplest and oldest form of payment for any business transaction is what may be called the barter system, which enabled the exchange of goods or services for another. Fast forward to the 21stcentury, the most common payment system is through legal tender, cheque, debit, credit, or bank transfer. In business transactions, payment can be made by an invoice, which would result in a receipt. In addition, the use of electronic payment methods has been increasing in the past 2 decades and they include the magnetic stripe card, smartcard, contactless card, and mobile handsets.

To embrace the digital economy, Bank Negara has taken various steps to enhance the e-payment platform, hence moving the country towards a cashless society.Governor Tan Sri Muhammad Ibrahim said effective July 1, 2018 the instant transfer fee of 50 sen will be waived for up to RM5, 000 per transaction by individuals and small medium enterprises (SMEs).However, the cheque fee would be increased from 50 sen to RM1.00, beginning Jan 2, 2021 to reflect the higher processing cost."The soaring digital economy will need an e-payment method which is a critical component that could increase productivity and be more cost-efficient," he said at the Payment System Forum and Exhibition here.Bank Negara embarked on the 10-year e-payment road map in 2011 and to date, the total cheque volume has declined 42% from 205 million in 2011 to only 120 million this year.Electronic fund transfers on the other hand have increased from 66 mil transactions in 2011 to an estimated 329 million for 2017.

Malaysia Moves towards Cash-less Society

Since 2009, the industry has invested RM893million to enhance the e-payment infrastructure and will invest a further RM346mil to expand the point-of-sale (POS) terminal network and RM40mil to develop the real-time retail payment platform.The payment technology had become more advanced, scalable and low cost, which benefits merchants directly, as their operations cost was lowered by the using quick response code (QR Code). "Most Malaysians are likely to carry both a debit card and mobile phones, and as of now, there are 45.4 million debit cards and 42.8 million mobile phone subscriptions. To encourage the use of the QR code payment, Bank Negara has issued an Interoperable Credit Transfer Framework (ICTF).For the first time in Malaysian history, customers of banks and non-banks will soon be able to transfer funds across the network by just referring to the mobile phone number, identification number or QR code.The ICTF will also enhance customer protection and confidence in the use of the credit transfer service. (https://www.thestar.com.my/business/business-news/2017/12/09).

Now, Malaysians are getting themselves attuned to the idea of cashless and card fewer transactions. With an increasing number of digital players launching their e-payment platforms, the new mode of payment has received good response by the local retail ecosystem and banking industry.

Vol. 10 No. 1-2, March-Sep. 2019
ISSN : 0976-0237
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As such, the development in digital payment would also realize the idea of turning Malaysia into a cashless and card less society, with various partnerships among operators such as the deal with China's leading financial technology company, Ant Financial Services Group. The idea is also supported by the government. Recently, Bank Negara Malaysia (BNM) governor Tan Sri Muhammad Ibrahim had said the online banking instant transfer fee of 50 sen will be waived for up to RM5, 000 per transaction, effective from July 1, 2018. On the other hand, beginning Jan 2, 2021, the cheque processing fee would be doubled to RM1 from 50 sen as a sign of higher processing cost. In December, 2018, Treasury Secretary General Tan Sri Dr MohdIrwanSerigar Abdullah also announced that a pilot project for e-wallet service, Take Action Pay (TaPay), will be carried out in the first cashless city in Malaysia. Digital payment, or e-wallet, is essentially a form of electronic payment that has the capacity to expedite the traditional payment process through the transaction of e-money. As each provider has various ways of introducing its e-wallet with ancillary products to attract users, the payment methods all carry a common concept which involves users scanning a quick response (QR) code provided at the payment counter via the provider's mobile application. According to BNM, e-money is a payment instrument containing monetary value that is paid in advance by the user to the e-money issuer, and can be issued in different forms — such as card-based and network- based — which is accessible via the Internet or other devices. At present, the central bank has approved five banks and 26 non-bank operators as e-money issuers. The new mode of payment has made its way along other digitalization phenomena that have moved many industries (https://themalaysianreserve.com). Through the digital transaction, the nature of Malaysian society has been changed rapidly.

Conclusion

Digital transaction is undergoing huge growth in terms of the volume of goods and services that are being traded on-line. The most optimistic estimations of e-commerce still place the goods value at less than 1% of the total value of goods and service traded in the conventional economy, so as larger numbers of people come on-line, there is plenty of scope for growth. In order to bring an on-line transaction to completion, payment must be fully integrated into the on-line dialogue Banks will find a demand from their large business clients to effect high-value bank mediated transfers of funds easily and efficiently. Similar demand will be experienced in Europe and Asia and, to a lesser extent, the developing world. It may be that developments such as Worldwide Automated Clearing House (WATCH) may eventually lead to a situation in which individuals and organizations transacting on the Internet can easily move funds to and from any country in the world. Economists have observer that in Malaysia, it may be that these new payment systems providers can be more agile in responding to customer needs and may supplant banks for certain classes of payments. In Malaysia, E-commerce is undoubtedly the most active area in electronic payments. As telecommunications manufacturers and network operators seek to define the shape of the mobile Internet, startup companies are busy coming up with new ways to make payments on-line. One very large area of uncertainty is the degree to which the mobile Internet will resemble the fixed-line Internet. With the advent of modern technologies in telecommunications, infrastructure and protocols, in Malaysia, in future entire payments will be made through e-payments by Business to Business, Business to Customer, Customer to Government.

Vol. 10 No. 1-2, March-Sep. 2019
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Impact Factor 3.765

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