

The Impact of East Coast Highway Development (LPT 2) on Socio-Economic Development Communities in the KETENGAH Region

¹Mat, F., ²Sadan, H., ³Girip, M. F., ⁴Syed Hussian, S. R., ⁵Ali,
Muzyakma & ⁶Mahmud, M. I

^{1,2,3}Institut Kemajuan Desa (INFRA), Kementerian Pembangunan Luar Bandar, ⁴Bahagian
Komuniti Desa, Kementerian Pembangunan Luar Bandar, ⁵Kemajuan Terengganu Tengah
(KETENGAH), Kementerian Pembangunan Luar Bandar, ⁶Faculty of Education, Universiti
Kebangsaan Malaysia

Correspondent Authors Email: izwan@ukm.edu.my

To Link this Article: <http://dx.doi.org/10.6007/IJARBS/v12-i11/15709>

DOI:10.6007/IJARBS/v12-i11/15709

Published Date: 14 November 2022

Abstract

The development of LPT 2 aims to improve the standard of living of the people from economic, environmental, and social aspects. In addition to being a link and convenience between the cities, it also helps to open new job opportunities to the local community. This study aims to identify the impact of LPT 2 development on the socio-economic development and well-being of the KETENGAH region community. This study used a survey type design to determine community perception of migration and mobility, the impact of Covid-19 on income, entrepreneurship, and community well-being. A total of 1,771 households and a total of 239 entrepreneurs were involved as respondents to the survey which was randomly selected from 5 towns in the KETENGAH region namely Bandar Al Muktafi Billah Shah, Bandar Bukit Besi, Bandar Ketengah Jaya, Bandar Seri Bandi, Bandar Ceneh Baharu while the census method was used for entrepreneurs as the purpose of the study had to involve the whole entrepreneur in the KETENGAH region. The questionnaire used in this study is taken from the study of the prospects of municipal development KETENGAH because of the construction of LPT 2. The survey findings show that the data distribution for each target group is different for each development core. There are some cores that are quite dominant for households and there are also dominant cores for entrepreneurs for districts, towns, mukims and villages. However, the data shows that the community or population in the MIDDLE region has the potential and ability to meet the needs of all cores at different rates. Implications of the study on policymakers (government), private sector, industry, and entrepreneurs in realising the impact of LPT 2 development on the socio-economic of the country and the local community. Several study recommendations were also discussed for improvement.

Keywords: Development of LPT 2, Socio-Economic Development, Well-Being, MIDDLE Region

Introduction

Terengganu's position away from the market centre and the main growth corridors of the country has resulted in the state lacking in connectivity and transportation facilities such as highways, railways, and international aviation services. This affects the prospects and potential of Terengganu at the regional level especially in the East Coast Corridor. The *East Coast Economic Region (ECER)* or ECER is an economic development region which is the third economic development programme after the Iskandar Development Region (WPI) in Johor and the Northern Corridor Economic Region (NCER) in the north of Peninsular Malaysia. ECER involves three states in the East Coast of Peninsular Malaysia, namely Pahang, Terengganu and Kelantan and involves the development of Mersing District in Johor.

In this regard, to boost growth and create an economic balance of the regions, the East Coast Expressway (LPT) Phase 1 and LPT Phase 2 were built. It aims to strengthen the main road network system and as a catalyst for socio-economic growth in all three states. It can thus balance economic growth between the states of the East Coast and the West Coast. However, connectivity and accessibility factors to the state of Terengganu improved with the existence of the East Coast Expressway (Karak – Kuantan -Kuala Terengganu - Kelantan), East - West Route II (Ipoh - Gua Musang - Kuala Berang), East Coast Highway Phase 1 (Karak - Jabor - Kemaman - Gemuroh - Kuala Terengganu) and terkini Raya Pantai Timur Phase 2 connection from Kuala Lumpur to Karak to Kuala Terengganu.

To accelerate the development of rural areas, the government has made various efforts including the establishment of several Regional Development Authority and one of them is the Central Terengganu Development Authority (KETENGAH) in Terengganu. KETENGAH is one of the agencies of the Regional Development Authority (LKW) established under the Ministry of Rural Development (KPLB). The area placed under the management of KETENGAH is the Central Terengganu area which is generally backward and lagging in terms of development when compared to the northern and southern areas of Terengganu. The establishment of KETENGAH aims to balance the composition of the population between South Terengganu and Northern Terengganu, eradicate poverty and reorganize society. This includes the responsibility in advancing, stimulating, facilitating, and working on economic and social development in the Central Terengganu area. KETENGAH also plays a role in developing, promoting, nurturing, controlling, and coordinating socio-economic development especially in relation to the development of living quarters, agriculture, enterprises and trade of the 443,876-hectare Central Terengganu Region covering the interior of Dungun, Kemaman and Hulu Terengganu districts.

In 2009, Malaysia formulated a New Economic Model (NEM) which further strengthens its commitment to sustainable development based on three goals, namely, high income, inclusiveness, and sustainability. These three elements are in line with Agenda 2030 for sustainable urban development taking into account resource distribution capabilities, sustainable disposal of waste materials as well as reducing pollution rates in urban areas and surrounding areas (Shari, 2000). NEM is also in line with sustainability development Goals which include elements such as economic, social, and environmental (Griggs, 2013). Critically, the 11MP aligns with the SDGs by embarking on its path to sustainable development and building a modern development process until 2030 (RMK-11, 2015).

Socioeconomic Development of the KETENGAH Region

The development turmoil in the KETENGAH Region is influenced by demographic factors as well as the barriers to the supply chain and the mobility of goods and consumers that need to be optimized (Mamat et al., 2016). One of the best examples to illustrate the municipal trends that are happening at the state and national level is the development of small towns in the Langat Basin. The physical development has changed the landscape of the Langat Basin from a forest and agricultural area to a township that has completely changed the ecosystem of the basin. The change of landscape from agriculture to urbanization will have a developmental impact on infrastructure, and local socio-economic (Idrus, et al., 2007). In this context, Aziz (2001), in his study also revealed that cities and municipalities are directly and closely related to the industrial process. Transformations in the economic structure, for example seen through the increase or growth of production forces whose productivity in the industrial sector thus has a positive impact on national income (Abdul Rasyid, 2011).

Thus, the development process takes place in all aspects of the life of the society, economic, social, cultural, political which takes place at the macro level i.e., national and micro-level covering the community of the community. Regional planning and territorial development are two different things. Regional planning is often referred to as a systematic process in determining alternative strategies for solving problems and achieving future goals of a region (Ahris 1991) while regional development is a strategy carried out to leverage and mobilize internal factors (strengths and weaknesses) and external factors (opportunities and barriers) that exist as potential and opportunities to increase regional production.

For the State of Terengganu, the Town and Country Planning Act, 1976 (Act 172) has started to be incorporated into development planning since its launch. The various development policies that have been implemented but are seen as still less successful in reducing the development imbalances that occur either between urban and rural and inter-ethnic areas. Although territorial development planning through land development and economic corridors has been implemented, development imbalances continue to occur mainly in underdeveloped regions. The Department of Statistics Malaysia through the publication of the State Socio-Economic Report 2019 on Gross Domestic Product (GDP) data by state recorded better economic growth than the previous year. Terengganu's economy recorded better growth from 2.5 per cent in 2018 to 3.3 per cent in 2019 (Department of Statistics Malaysia, 2019) The recovery in agricultural sector performance driven by increased production for oil palm, rubber and vegetable crops activities as well as better growth for the services sector has given an advantage to the growth momentum in Terengganu where recorded recovery to 6 per cent compared to the performance in 2018 only is at -2.5 per cent through the ' Terengganu State Agricultural Strategic Plan 2019 – 2023 which outlines the large framework of the Terengganu agricultural sector. Terengganu relies heavily on forest produce and self-sufficiency agriculture

Meanwhile, entrepreneurship is the key to improving a country's economic growth by contributing to GDP, stimulating investment, and generating jobs. In addition, entrepreneurship is a catalyst for the generation of innovation as well as a platform to improve the socio-economic status of society by providing economic opportunities to various levels of society, especially the marginalized and the underprivileged in the labour market. However, the growing growth of the business sector, especially the existence of various forms

of business such as shopping malls, has resulted in the small-scale business sector, especially retail businesses, being given less attention as the management of shopping centres is more structured. KETENGAH for example, business development is said to be a catalyst for the economic development of a small town due to its activities that rely on the distribution and marketing system of cheaper and easier goods services to the townspeople and their surrounding areas (Ros et. al., 2015). The Terengganu Sejahtera Graduate Entrepreneur Programme (U- GATE S) which includes entrepreneurship training, business capital and monitoring of participants' performance is also seen as a good move. It is able to encourage new entrepreneurs, especially the younger generation, to venture into business and entrepreneurship. The Rural Development Hope Plan (Plan Harapan) 2018-2022 has made the empowerment of rural entrepreneurs one of the main agendas with the number of rural entrepreneurs up to the end of 2018 being 83,693 people involved in areas such as food, services, agriculture, manufacturing, and others.

In the success of various strategies under the Economic Thrust and Entrepreneurship Core of the Hope Plan, KETENGAH has given guidance and emphasis to introduce social enterprise entrepreneurship as well as a special focus for the development of women and youth entrepreneurs around the KETENGAH region. In addition, the tourism industry opens job opportunities to the local community and can curb migration to urban areas. These job opportunities bring a wider connotation, including jobs in the service industry in hotels or restaurants and small businesses such as the village industry, homestays, franchise branches, tour guide services and beach recreational enterprises such as 'jetski', 'banana boat' and so on. The Ministry of Tourism and Culture Malaysia introduced the homestay programme in 1988 as an accommodation alternative for tourists. In terms of achievement, the development of tourism products in the State of Terengganu is still at a moderate level although the tourism resources available are diverse. Among the main problems in terms of product development are a low level of deliverability, lack of interpretive material (storytelling), lack of maintenance, promotion, and less effective marketing.

Objective

Identify the impact of LPT11 development on migration and mobility, the impact of Covid 19 on income, involvement in entrepreneurship and community well-being.

Methodology

The study used a cross-survey type design on households and entrepreneurs in the MIDDLE Region. A total of 1,771 households and a total of 239 entrepreneurs were involved as respondents to the survey which was randomly selected in 5 towns in KETENGAH namely Bandar Al Muktafi Billah Shah, Bandar Bukit Besi, Bandar Ketengah Jaya, Bandar Seri Bandi, Bandar Ceneh Baharu while the census method was used for entrepreneurs as the purpose of the study had to involve all entrepreneurs in the KETENGAH region. The questionnaire used in this study is drawn from the study of the prospects for urban development amid the impacts of the construction of the East Coast Highway (LPT 2) which includes migration and mobility variables, the impact of Covid 19 on income, involvement in entrepreneurship and community well-being. The data were descriptively analyzed to comparatively identify the impact of LPT 2 development on the socio-economic development of the local community. The results of the findings are presented in the form of tables, graphs and reporting in a descriptive manner.

Findings

The findings show the impact of LPT 2 development on the socio-economic development of the KETENGAH regional community including migration and mobility, the impact of Covid 19 on income, involvement in entrepreneurship and community well-being.

i. Migration and Mobility

As a result of decisions such as Table 1, migration rates and high mobility to major cities due to economic factors i.e. employment opportunities. Migration occurs in adolescents aged 20 to 30 years. The youth movement in some villages in the KETENGAH Region area also did not show widespread and comprehensive involvement. There are some villages that do not have a youth movement and there are inactive movements that bring the youth development agenda to a practical and impactful level. The youth movement is still plagued by a model of funding and support that relies heavily on the State Government and the Central Government. In total, Table 1, 62.6 % chose to migrate out of Terengganu where the main locations of choice were Kuala Lumpur and Kuantan. Migration within Terengganu occurs mostly to Kuala Terengganu.

Table 1

Factors of migration of children in traditional village houses according to the area

| District | Study | | Married | | Work | | Total |
|-----------------|-------|------|---------|------|------|------|-------|
| | n | % | n | % | n | % | |
| Dungun | 4 | 13.8 | 9 | 31 | 16 | 55.2 | 29 |
| Kemaman | 7 | 17.1 | 20 | 48.8 | 14 | 34.1 | 41 |
| Hulu Terengganu | 6 | 11.1 | 30 | 55.6 | 18 | 33.3 | 54 |

ii. The impact of COVID-19 on income

As a result of decisions such as Table 2, the majority of MIDDLE Region entrepreneurs in all municipalities face economic shocks of the impact of the Movement Control Order (MCO) on their businesses subjectively and objectively. Entrepreneurs implement various strategies including the majority of them relying on their savings and reducing expenses and deferring debt repayment. This strategy is supported by the government's action to moratorium on affected entrepreneurs as well as implementing an economic regeneration scheme that is seen as helping entrepreneurs.

Table 2

Impact of Movement Control Regulations on entrepreneurs by city

| Location | Unaffected | | Slightly affected | | Very affected | | Total |
|-----------------------------|------------|------|-------------------|------|---------------|------|-------|
| | n | % | n | % | n | % | |
| Bandar AMBS | 5 | 20.8 | 4 | 16.7 | 15 | 62.5 | 24 |
| Bandar Seri Bandi | 2 | 3.1 | 33 | 51.6 | 29 | 45.3 | 64 |
| Bandar Baru Cheneh | 6 | 17.6 | 12 | 35.3 | 16 | 47.1 | 34 |
| Bandar Bukit Besi | 2 | 6.9 | 10 | 34.5 | 17 | 58.6 | 29 |
| Bandar Ketengah Jaya | 7 | 20.6 | 9 | 26.5 | 18 | 52.9 | 34 |
| Jerangau-Jabor | 3 | 5.8 | 8 | 15.4 | 41 | 78.8 | 52 |
| Tasik Kenyir | 0 | 0.0 | 1 | 10.0 | 9 | 90.0 | 10 |
| LPT 2 | 0 | 0.0 | 3 | 30.0 | 7 | 70.0 | 10 |
| Total | 25 | 9.7 | 80 | 31.1 | 152 | 59.1 | 257 |

iii. Impact in the Economy

Table 3, shows the main types of enterprises according to the traditional village according to the district obtained from household questionnaires in traditional villages. The vast majority of households surveyed in all three districts are involved in restaurant enterprises or eateries, while in addition there are households involved with grocery store enterprises and roadside stalls. Figure 1 shows the types of enterprises that respondents are involved in questionnaires in major urban areas. If noted, the types of enterprises involved and the percentage of the distribution are quite diverse. For example, stalls and cottage industries represent a relatively high percentage in the town of KETENGAH Jaya while restaurants are the dominant business in Bandar Seri Bandi and Bandar Bukit Besi. In Bandar Baru Cheneh, the roadside stall enterprises are more crowded than other types of enterprises in AMBS, and other categories such as laundry, car wash services, tailors, motorcycle/car workshops represent a large percentage showing the threat of business activities in AMBS.

Table 3

Main enterprises in traditional villages by district

| Product marketing | Bandar AMBS | | Bandar Seri Bandi | | Bandar Baru Cheneh | | Bandar Bukit Besi | | Bandar Ketengah Jaya | | Jerangau - Jabor | | LPT 2 | | Tasik Kenyir | |
|-------------------|-------------|-----|-------------------|-----|--------------------|-----|-------------------|-----|----------------------|-----|------------------|-----|-------|-----|--------------|-----|
| | n | % | n | % | n | % | n | % | n | % | n | % | n | % | n | % |
| Fixed site | 20 | 83. | 63 | 98. | 32 | 94. | 27 | 93. | 30 | 88. | 51 | 98. | 10 | 10. | 10 | 100 |
| | 3 | | 4 | | 1 | | 1 | | 2 | | 1 | | 0 | | | |
| Mobile | 4 | 16. | 0 | 0 | 2 | 5.9 | 3 | 10. | 3 | 8.8 | 0 | 0 | 2 | 20. | 1 | 10 |
| | 7 | | | | | | 3 | | | | | | 0 | | | |
| Online | 3 | 12. | 2 | 3.1 | 2 | 5.9 | 5 | 17. | 3 | 8.8 | 1 | 1.9 | 0 | 0 | 1 | 10 |
| | 5 | | | | | | 2 | | | | | | | | | |

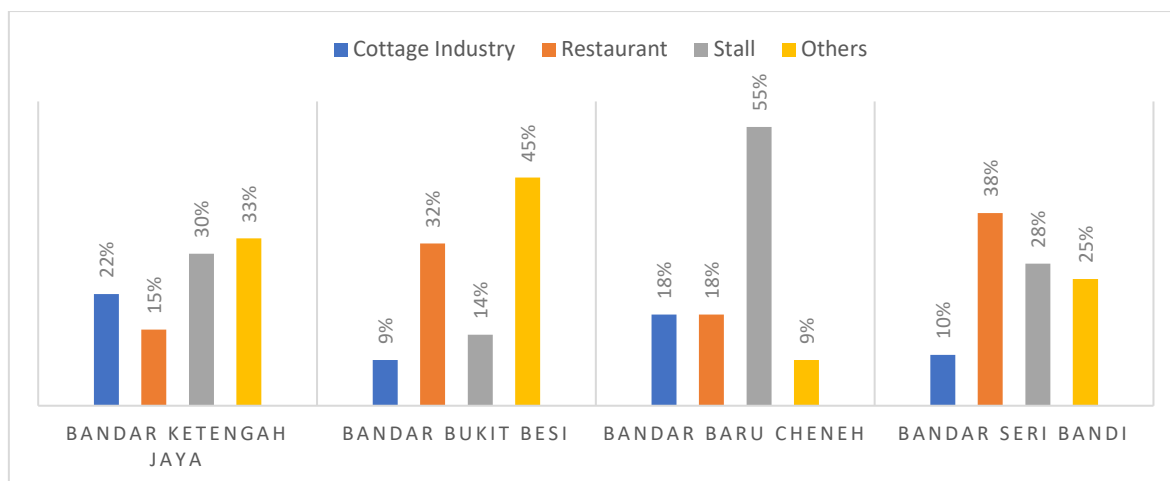


Figure 1: Types of enterprises by city

COVID-19 has greatly changed the economic landscape of the country. Not only should society live the new norm of life, but entrepreneurs also need to adapt to the use of technology in their enterprises. Therefore, this report also looks at the extent of entrepreneurs involved with online business. Table 3 shows the breakdown of the ways of marketing implemented by the entrepreneur according to the location of the business. Most of the entrepreneurs involved are traders who have a fixed site. It was found that only a small number of entrepreneurs implement business online.

Table 4

Product marketing by entrepreneurs by location

| Product marketing | Bandar AMBS | | Bandar Seri Bandi | | Bandar Baru Cheneh | | Bandar Bukit Besi | | Bandar Ketengah Jaya | | Jerangau - Jabor | | LPT 2 | Tasik Kenyir | | |
|-------------------|-------------|------|-------------------|------|--------------------|------|-------------------|------|----------------------|------|------------------|------|-------|--------------|----|----|
| | n | % | n | % | n | % | n | % | n | % | n | % | n | n | % | |
| Fixed site | 20 | 83.3 | 63 | 98.4 | 32 | 94.1 | 27 | 93.1 | 30 | 88.2 | 51 | 98.1 | 10 | 10 | 10 | 0 |
| Mobile | 4 | 16.7 | 0 | 0 | 2 | 5.9 | 3 | 10.3 | 3 | 8.8 | 0 | 0 | 2 | 20 | 1 | 10 |
| Online | 3 | 12.5 | 2 | 3.1 | 2 | 5.9 | 5 | 17.2 | 3 | 8.8 | 1 | 1.9 | 0 | 0 | 1 | 10 |

iv. Impact on Community Wellbeing

Tables 5 and 6 show the details of the rial/crime and physical safety problems that occur in the community. Respondents were also asked to assess the current level of security of residential areas as well as how the security situation of their village is now in the past year. Most respondents in each city felt that the state of their village was safe. Only a small part stated that their area of residence was unsafe. Of the respondents who stated that their area was unsafe, the highest number were in Bandar AMBS, Bandar Seri Bandi, and Bandar Bukit Besi. Looking at the changes in terms of the safety of residential areas compared to a year ago, the majority of respondents noted that their security situation has not changed compared to a year ago. Attention should be paid to Bandar Seri Bandi who not only has feedback that the security situation is low but also has feedback that the security situation is getting worse than a year ago.

Table 5

Social problems / crimes that occur in the community

| Types of crimes | Bandar AMBS | Bandar Seri Bandi | BaNDAR Baru Cheneh | Bandar Bukit Besi | Bandar Ketengah Jaya | Jumlah |
|------------------------|----------------|-------------------------|--------------------------|-------------------------|----------------------------|--------|
| Beaten to injury | 0 | 0 | 1 | 2 | 0 | 3 |
| Extortion | 3 | 4 | 0 | 3 | 3 | 13 |
| Theft | 195 | 217 | 189 | 207 | 168 | 971 |
| Robbery | 12 | 7 | 0 | 8 | 2 | 29 |
| Rape/attempted rape | 0 | 4 | 46 | 0 | 0 | 50 |
| Murder | 0 | 4 | 48 | 0 | 0 | 52 |
| Attempted murder | 0 | 4 | 48 | 0 | 0 | 52 |
| Kidnapping | 1 | 0 | 0 | 0 | 0 | 1 |
| Burn with intent | 0 | 4 | 48 | 0 | 0 | 52 |
| Alcohol addiction | 0 | 0 | 0 | 0 | 1 | 1 |
| Gun injury | 0 | 4 | 48 | 0 | 0 | 52 |
| Knife injury | 2 | 4 | 0 | 3 | 2 | 11 |
| Drug | 154 | 178 | 164 | 178 | 168 | 842 |
| Vandalism | 12 | 5 | 0 | 15 | 7 | 39 |
| Gangsterism | 0 | 0 | 0 | 10 | 0 | 10 |

Discussions and Suggestions

At the beginning of the 2000 century, the agricultural aspect as a business gave new perspective to the rural development model based on entrepreneurship. Over the past decade, the transformation of rural development has continued to be driven by an infrastructure programme agenda as well as a rural transformation centre that continues to streamline the potential of rural development. Despite the changes taking place, there are various major challenges that are structurally hampered in the effort to optimize the growth potential of the city. The economic transformations that take place are unlikely to be comprehensive in nature. Accordingly, although the economic core of the country has changed to industrial-based, there are still rural areas that are slow to change for various reasons. For example, the process of national development in favor of industrial and *urban (urban bias)* has led to the issue of migration of youths to the city. Migration will continue as long as there is a difference between the expected income in the city and the actual income in the countryside. On the other hand, rural development based on major commodity plantations such as oil palm and rubber bringing in unskilled foreign labour has put pressure on wages in the rural plantation sector. Such structural problems have had major implications for the rural job market, among them; (i) Wages remained low whilst the plantation sector continued to be based on labour-intensive production; (ii) Youths are not interested in farming due to wage factors and the type of work that is considered heavy and trivial; and (iii) Agriculture continues to be regarded as a field of employment that does not offer good returns.

Based on existing structural problems, the rural sector is plagued with limited employment opportunities and negative perceptions especially among young people. While

the agricultural sector continues to be the core of rural economic activities. In this context, the Rural Development Policy (DPLB) 2019 – 2030 which was launched became the main framework to overcome the problems and structural barriers that plague rural development in Malaysia. DPLB (2019-2030) provides a general roadmap and a comprehensive development strategy in line with the Sustainable Development Goals 2030 (SDG2030) as proposed by the United Nations (UNDP). This policy covers the new priorities and emphasises identified in several planning documents including the 11th Malaysia Plan (11MP) and the Rural Development Hope Plan (PHPLB) 2018 – 2023. It will be a key policy of rural development that supports national development policies and programs. DPLB (2019-2030) will be at the core of the rural development direction towards Malaysia's prosperous and high-income developed nation. It will consider the existing development policies, SDG2030 and the aspirations of Malaysians. In that regard, the economic potential in rural areas needs to be seen in the context of SDG30 as it can build a new platform in generating economic opportunities for the next two decades.

For example, SDG12 gave a new idea by defining the concept of cyclical economic-based economic consumption and production (*circular economy*) that emphasizes productive value-added with a high-tech and innovation base (Govindan & Hasanagic, 2018; Andrews, 2015). The main thrust of the cyclical economic structure is the knowledge and awareness of the community to explore the economic field in a more creative and innovative manner. There is also the concept of a creative economy that is widely implemented in developed countries such as Japan and Korea which emphasizes the *co-creation* process (Trencher, et al., 2017; Wang, et al., 2016). All these concepts emphasise on scientific application to consumption and production practices at the household and firm level which also emphasises on profit without waste, productive work system, hygiene, discipline, and life practices based on science and innovation on an extended basis. Studies and knowledge transfer programmes by various agencies such as universities, research units show that the community is ready to embrace the cyclical economy by increasing awareness and exposure of knowledge through continuous learning (*longlife learning*) among the community.

Thus, if SDG12 is to be considered as a catalyst for the transformation of the rural economy in the next decade, the rural economic structure should be based on innovation, knowledge, technology, community engagement as well as a strong and comprehensive infrastructure. The economic prospects of the MIDDLE Region over the next decade must be driven by the existing sector. For example, agriculture will continue to be the core of the region, but the diversification from the plantation sector (*monoculture*) to the food production and agro-tourism sectors will be the two main fundamentals in developing the region. In this regard, institutional support such as MARDI, District Agriculture Office, FAMA needs to be more comprehensive. The support of this institution will be further highlighted by the involvement of young people and rural entrepreneurs who have different views from the first-generation farmers of the KETENGAH community. For example, the concept of online business and digital finance for these groups is something that needs to be implemented to generate value added to the products that will be marketed. In fact, the shift in technology will support the modern agricultural economy that will be the landscape and rural economic structure of the next decade.

The agro-tourism sector as a pillar of the KETENGAH region's economy is expected to provide employment opportunities as well as hope to develop the socio-economic level of the local community. Among the main advantages is in terms of physical proximity of the KETENGAH Region to major cities such as Kuala Lumpur and Kuantan. Accordingly, the

potential of the agrotourism sector will be influenced by good and complete infrastructural access (roads). However, the lack of infrastructures such as internet access is an obstacle that needs to be repaired and developed at an immediate pace. The agro-agricultural sector needs players with a market network as well as the ability to create and diversify products more aggressively. In this context, the concept of heritage economy should be the main thrust in developing a cyclical economy as stated under objective 12 (SDG12) within the framework of SDG2030. The merger of the legacy economy and the cyclical economy not only affects in terms of capital and labor needs, but also the emergence of players who have the information and knowledge to create added value in generating local economic wealth. For example, the development of a multi-functional agricultural system with *co-creation* from the field of tourism especially in the *Experiential Rural Tourism* sub-sector will have greater potential compared to the conventional agricultural system.

The economic growth prospects of the MIDDLE Region over the next decade also depend on community involvement in the various new areas that will arise. The post-COVID-19 economic system has transformed the centralized supply chain (*centralised*) to a more scattered and decentralized one. Such a structure will be able to protect the risks and shocks that may occur in the future. For example, the plan to make KETENGAH a food production hub does not necessarily have to be based on limited products (*monoproducts*) as well as a centralized *supply chain*. In other words, an economic system formed from many competing players and dominating a wide range of markets and infrastructure support allows products to be marketed across time, location, and market type. In particular, the digital economy system will be the cornerstone of the rural economy, and this will be the new norm that can change the socio-economic level of the KETENGAH community.

Referring to the goals contained in SDG2030, there are 18 key goals that are at the core of the development framework created in the next decade. Almost all objectives contain well-being components to ensure more sustainable and quality human survival. The SDG2030 framework also began to consider the non-financial aspects, that is, development and growth are not only measured from the financial aspect but the more comprehensive component of well-being. In other words, the objectives of the well-being of rural life must consider the "cross-matter issues enshrined in the various objectives of SDG2030. Thus, the SDG2030 is a platform for rural development and the SDG2030 approach will differentiate what has been done in rural development programmes compared to the previous decade.

Society today is faced with various issues involving both physical as well as mental elements. These issues have affected an individual to the detriment of their well-being. This human psychological well-being is something very subjective to assess (Ryff, 1989). This is because the well-being and happiness that a human being wants to achieve is different. There are some people who think more about career as a matter of well-being, but some see family development as something that makes a person achieve well-being. Subjectively this element of well-being has considered various aspects of satisfaction and the external and internal conditions of an individual according to its own mold.

The element of psychological well-being is a very broad element. The assessment also varies according to the knowledge, skills and behaviors that exist by a human being according to the culture of a country. However, the objective is only one that is happiness either internally or externally. Thus, many researchers see these aspects in different circumstances. This circumstance proves that the sensitivity in psychological well-being by an individual

depends on how a person perceives himself wisely. The World Health Organisation (WHO) sees psychological well-being as having a close association with mental illness which is said to be in second place after heart disease in 2020 (WHO, 2012; Nordin & Abu Talib, 2009). The impact of sustainable development can have an impact on the well-being of the community if an approach aspect of preventive action is carried out to ensure that there is sustainability in a development. Governments, local communities, NGOs and individuals have a role to play in building a holistic well-being ecosystem to support sustainable economic development. (Yusoff, et al., 2011).

Thus, the impact of a development such as LPT2 contributes to the socio-economic development and well-being of the community in the KETENGAH Region. The short-term impact can be seen in terms of the existence of new job opportunities, the lack of youth migration to urban areas, the increase in youth in education and entrepreneurship as well as increased safety and well-being. The ecosystem formed through this development has implications for the socio-economic and well-being impact in the long term which requires the formulation of new programmes, elements of comprehensive monitoring and aspects of assessment carried out by the authorities.

Conclusions

LPT2 construction impact analysis was also carried out on data collected from entrepreneurs in major cities, Jerangau-Jabor network, and Kenyir Lake. This effect is seen in two aspects; first the financial impact which is in terms of the average net profit of the entrepreneur before and after the opening of LPT 2; secondly the impact on their well-being or quality of life in general. LPT 2 also affects the quality of life of the residents of the KETENGAH region and its effects vary according to the location of the enterprises where the entrepreneurs of Tasik Kenyir are the big beneficiaries of the opening of LPT 2. Discussions in the above various cores place emphasis on the aspects of the preparation and use of technology. This is because this aspect is seen to be able to assist households and entrepreneurs in facing various economic development challenges. The economic aspect can be improved with the use of information technology. The empowerment and empowerment of entrepreneurs, women and youth is also seen to be implemented with the availability of technology. The COVID-19 pandemic that has hit the country forcing the life of the new norm should be seen as a boon to development agencies such as KETENGAH as it focuses on the development resources that have long been supposed to be lifted as the drivers of regional economic growth.

Acknowledgement

The results of this research are from the consultancy project of the Ketengah Municipal Development Prospects Study Due to the Construction of the East Coast Highway (LPT 2), the Consultative Unit of the University of Malaya Kuala Lumpur (UPUM).

References

- Abdul Rashid, M. F., Teriman, S., Omar, W. R., Zin, M. R. (2016). Migrasi bandar-bandar di Malaysia: Kajian kes Wilayah Koridor Ekonomi Pantai Rujukan 2 Timur *GEOGRAFIA OnlineTM Malaysian Journal of Society and Space* 12 issue 4 (131 - 146).
- Abdullah, M. F., Othman, A., & Jani, R. (2019). Pengukuran Kesejahteraan Hidup Orang Asli Menggunakan Indeks Kemiskinan Multidimensi *Akademika* 89(3), 155-165.
- Agus, M. R., & Sidin, T. N. (2000). *Pemandaran dan Perancangan Persekitaran*. Kuala Lumpur: Utusan Publication & Distribution.
- Andrews, D. (2015). The circular economy, design thinking and education for sustainability. *Local Economy*, 30(3), 305–315.
- Azilawanie, W. N., Akma, N. S., Amin, A. (2019). Resident's Behaviour in The Conservation Activities towards River Preservation in Terengganu, Malaysia. *Asian People Journal*, 2(2), 70-80.
- Aziz, R. (2001). *Pengantar Sosiologi Pembangunan*. Kuala Lumpur: Dewan Bahasa dan Pustaka.
- Azna, F. (2002). Indeks Kualiti Hidup Penduduk Daerah-Daerah di Semenanjung Malaysia dalam Lukman Z Mohamad, Abdul Aziz Jemain, Mohd. Yusof Hussain & Faridatul Azna A. Shahabuddin (2002). *Impak Pembangunan Kualiti Hidup dan Persekitaran*. Kuala Lumpur: Utusan Publications and Distribution Sdn. Bhd.
- Dahalan, D. (2019). Cabaran graduan TVET. *Kosmo*, 5 Januari 2019.
- Dahalan, D., D'Silva, J., Ismail, I. A., & Mohamed, N. A. (2018). Entrepreneurial mind-set among students of Technical and Vocational Education and Training (TVET) Institutions in Malaysia. *The Journal of Social Sciences Research*, 4(11), 2413-6670.
- Elbendak, O. E. (2008). *Urban Transformation and Social Change in a Libyan City: An Anthropological Study of Tripoli*. http://eprints.nuim.ie/1332/1/Ph.D_Thesis.pdf.
- Govindan, K., & Hasanagic, M. (2018). A systematic review on drivers, barriers, and practices towards circular economy: a supply chain perspective. *International Journal of Production Research*, 56:1-2, 278-311
- Griggs, D. (2013). Sustainable development goals for people and planet. *Nature* 495, 305–307. doi:10.1038/495305a.
- Idrus, S., Hadi, A. S., Harman Shah, A. H., & Mohamed, A. F. (2007). *Kerja Lapangan Berterusan: Merungkai Perbandaran Lestari*. Bangi: Penerbit UKM.
- Ismail, O. (1994). *Faktor-Faktor Yang Berkaitan Dengan Penglibatan Pengusaha Projek Ekonomi Di Kawasan Ketengah Dalam Membuat Keputusan*. PHD Thesis, UPM.
- Jabatan Perangkaan Malaysia. *Laporan Sosio ekonomi Negeri 2019*
- Lembaga Kemajuan Terengganu Tengah. (2017). About KETENGAH. Accessed 06 May 2022. <http://www.ketengah.gov.my/latar-belakang>.
- Mamat, I., Nawang, W. M. Z., Sa'at, N. H. (2016). Analisis keperluan pembangunan pusat transformasi luar bandar (RTC) Terengganu. *Malaysian Journal of Society and Space*, 12 (77-87).
- Nordin, M. N., & Abu Talib, M. (2009). Loneliness and Psychological Well-being among University Students in Malaysia. *Jurnal Psikologi*. 23: 27-37.
- Mei, N. S., Wai, C. W., & Ahamad, R. (2016a). Environmental awareness and Behaviour Index for Malaysia. *Procedia - Social and Behavioral Sciences* 222(07): 668-675.
- Mesjasz-Lech, A. (2014). Municipal waste management in context of sustainable urban development. *Procedia – Social and Behavioral Sciences* 151: 244-256.

- Rancangan Malaysia Kesebelas, 2016-2020. (2015). Putrajaya: Unit Perancang Ekonomi, Jabatan Perdana Menteri.
- Rodriguez-Pose, A., dan Tijmstra, S. (2005). Local Economic Development as an Alternative Approach to Economic Development in Sub-Saharan Africa. World Bank Report.
- Rostam, K. (2002). Prinsip Asas Persekitaran Manusia. Kuala Lumpur: Universiti Kebangsaan Malaya.
- Sani, S., & Hadi, A. S. (1986). *Pembangunan dan Alam Sekitar di Malaysia: Isu dan Pengurusannya*. Kuala Lumpur: Dewan Bahasa dan Pustaka.
- Shari, I. (2000). Economic Growth and Income Inequality in Malaysia, 1971–95, *Journal of the Asia Pacific Economy*, 5(1 & 2): 112–24.
- Smith, D. D. (1995) Third World Cities: Sustainable Urban Development. *Urban Studies*, Vol 32, no 4-5
- Stren, R., White, R., & Whitney, J. (1992). *Sustainable Cities: Urbanization and the Environment in International Perspective*. Oxford Westview Press.
- THE 17 GOALS | Sustainable Development". *sdgs.un.org*. Retrieved 10 August 2022.
- Wang, W., Bryan-Kinns, N., & Ji, T. (2016). Using community engagement to drive co-creation in rural China. *International Journal of Design*, 10(1), 37-52.
- Yaakob, U. (1989). Prinsip Kajian Kependudukan. Kuala Lumpur: Dewan Bahasa dan Pustaka.
- Zaman, A. U. & Lehmann, S. 2011. Urban growth and waste management optimization towards “zero waste city.” *City, Culture and Society* 2(4): 177-187.
- Yusof, R. (1999). Suatu Penelitian Teoretikal Dari Perspektif Sosial Terhadap Pengertian Konsep Kualiti Hidup (Quality Of Life). *Jurnal Pembangunan Sosial*, 1 (Jan.), 103-119.