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Malaysia's Defence White Paper at Two: Progress and Challenges

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Navigating the geopolitical jungle: Sang Kancil teaching American Marines survival skills at Lahad Datu, Sabah.
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SYNOPSIS

Malaysia has made some progress on defence reform, but many key agenda items stated in its first Defence White Paper (DWP) remain unfulfilled. Delay is expected given the challenging past two years, but there is a new urgency to implement these reforms with the increasingly tense geopolitical environment.

COMMENTARY

It has been two years since Malaysia published its first *Defence White Paper* on 2 December 2019. The country has since experienced two changes of government, in February 2020 and August 2021. It has also fought a long-drawn battle with Covid-19, which has caused more than 29,000 deaths (as of 4 November) and diverted defence resources, with security personnel being deployed to perform various duties to enforce the Movement Control Order and ramp up border control.

Political instability has called into question policy continuity under the new government. Given that the DWP was commissioned during the previous administration, there were concerns that it might have political baggage. Such worries were quelled as the new administration reaffirmed its commitment to implement the DWP.

Indeed, developments in the past two years have only reinforced the urgency to implement the DWP. Malaysia faces increasingly tense geopolitical dynamics in the neighbourhood, particularly in the maritime domain, from both state and non-state actors.

Two years on, how has Malaysia fared in implementing the DWP?

Progress

Some tangible progress has been made. The drafting of several strategic documents has been commissioned, including a revised National Military Strategy; the Defence Capacity Plan, which will review all human resource-related defence policies; as well as the National Defence Industry Policy.

At the operational level, the Defence Cyber and Electromagnetic Division has been established. Its establishment is in line with the aspiration of the DWP, which states the need to strengthen the cyber capability of the Malaysian Armed Forces (MAF) and allow them to achieve “information superiority”. Regarding assets, Malaysia has issued a long-awaited tender for 18 new aircraft as part of its Fighter Lead-In-Trainer/Light Combat Aircraft (FLIT-LCA) programme, a key acquisition that would enhance Malaysia’s air surveillance capability and replace the MAF’s ageing fleets; as well as tenders for maritime patrol aircraft and unmanned aerial systems.

Areas for Improvement

Some areas still need to be improved nonetheless. To put things into context, the following paragraphs will revisit some of the key agenda items listed in the DWP.

Maritime Nation and Future Force

The DWP defines Malaysia as a "maritime nation with continental roots". It characterises Malaysia as a bridging linchpin in the region, connecting the Pacific and Indian Oceans — a tacit nod to the emergence of the Indo-Pacific strategic construct.

This outlook has a deep implication for force structure. Despite being surrounded by three bodies of water, Malaysia has traditionally been army-centric due to its legacy of fighting the communist insurgency in the formative years of the nation. The army has approximately 80,000 personnel while the navy and air force have just about 15,000 each. The army also receives more than double in budgetary allocations than the other two services. (However, it should be noted that certain army functions, such as military doctors and engineers, serve across the three services.)

The DWP calls for a recalibration of this structure by highlighting and locating the security challenges faced by Malaysia within core, extended and forward areas. It acknowledges the importance of jointness among the three services as future warfare will be more hybrid and multi-domain in nature. The current joint forces headquarters serve merely as a coordinating unit for joint operations. Greater integration between the three services is also important to rationalise and streamline resources between the three services as well as other security agencies.

Meanwhile, the "two-theatre" concept gave much-needed emphasis to the security challenges in East Malaysia, including sea robberies and kidnap-for-ransom activities, intrusion threats in East Sabah, the encroachment of foreign vessels near Luconia Shoals in the South China Sea, and illegal movements across the porous 1,881 km-long land border with Indonesia. There has already been talk of the establishment of a new naval region (MAWILLA 4) in Bintulu, Sarawak, which will boost the navy's ability to safeguard Malaysia's interests in the South China Sea. Meanwhile, the Malaysian army has established a new Eighth Royal Artillery Regiment (8 RAD) in Sarawak, which will enhance artillery fire support on the Eastern theatre.

People in Defence

The DWP proposed a series of reforms relating to people in defence, including active-duty personnel, volunteer forces, veterans and civilians in defence.

On the Volunteer Forces, it proposed that readiness be strengthened so that they could be mobilised alongside regular forces in emergencies, with a particular focus on seeking professional talents in key fields such as medicine, engineering, cyber security and information technology. Interestingly, the DWP did not make any mention of the National Service Training Programme, a contentious programme cancelled in 2018, but instead stressed the importance of strengthening the Volunteer Forces.

However, in November 2020, the Perikatan Nasional government mooted the idea of bringing back the programme.

For personnel development, the DWP emphasised the importance of developing a Knowledge Force (K-Force) to face future security challenges that require an understanding of advanced technology. The DWP recommended improving the recruitment process, career development pathways and remuneration packages. The DWP also outlined the aspirations for the MAF to become a preferred career choice of people from various backgrounds, and to have at least 10 per cent women within its ranks.

Defence Engagement

The DWP reiterated the importance of maintaining robust bilateral and multilateral engagements with partners and neighbours. More importantly, it advocated that Malaysia practise "activist-neutrality", a new iteration of being "neutral" that denotes more proactive pursuits of partnerships as well as assuming a leadership role in global and regional security issues.

Described as "Sang Kancil", a quick-witted mouse deer in Malay folklore, Malaysia has long performed a balancing act between great powers. Little has changed in the past two years in its neutral foreign policy position, although Malaysia's recent responses on South China Sea issues as well as its strong reservation towards the recently established AUKUS alliance involving Australia, the United Kingdom and the United States suggests the new administration's inclination to show public deference towards China.

Defence Industry, Science and Technology

The DWP described the defence industry as "a strategic component of Malaysia's defence ecosystem". Defence projects in Malaysia have been plagued by scandals, while defence research is underdeveloped. The DWP resolved to help the defence industry become competitive and steer it towards helping Malaysia achieve limited self-reliance. However, while supporting the local defence industry should remain a goal, the recent case involving mismanagement of the littoral combat ship project by Boustead Naval Shipyard offers some reflection on balancing military needs and learning opportunities for local defence industry players.

To prevent vendor-driven decision-making, the defence capability needs of the MAF must drive the output of the defence industry. To that end, the DWP proposed that the MAF draft a Defence Investment Plan for approval by an inter-ministerial Defence Investment Committee that would be chaired by the prime minister. It was hoped that this committee could help policies on high assets to be made in a more collective,

"whole-of-government" manner. Unfortunately, there has been no progress on this front up to now.

Implementation

The final chapter of the DWP tackled the issue of good governance and the need for securing stable defence funding. The DWP affirmed the role that Parliament plays in providing checks and balances. A bipartisan Select Committee on Defence and Home Affairs was set up in 2019 for this purpose. Unfortunately, the committee has not been active due to the suspension of Parliament by the emergency measures imposed earlier this year.

One of the biggest criticisms of the DWP is that it did not commit any tangible amount for asset acquisition. Budget allocation for the defence ministry has marginally gone up, from RM 15.58 billion in 2020 to RM 15.86 billion in 2021, and RM 16.1 billion in 2022. Nonetheless, corrected for inflation, these increases are only a drop in the ocean, considering that Malaysia has been consistently underspending on its defence needs over the years.

Conclusion

The DWP is one of Malaysia's most comprehensive publicly available defence documents, and it has clearly outlined the areas for much-needed defence reform.

Unfortunately, progress towards meeting the plans put forward has been limited. Granted that implementing some of these reforms takes time, Malaysia nevertheless needs to expedite acting on some of the agenda items as the geopolitical environment becomes more challenging. The success of the DWP lies in its implementation, and the opportunity cost of not doing so will be too huge for Malaysia.

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