

War, terror raise Asian defence spending: PM

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LANGKAWI: Asia is expected to spend US\$70 billion (RM266 billion) on defence imports from 2002 to 2006 because of the increasing threats of war and terrorism, Prime Minister Datuk Seri Dr Mahathir Mohamad said yesterday.

Opening Langkawi International Maritime and Aerospace Exhibition (Lima) 2003, which has drawn some 600 companies from 25 countries, he said:

"A wave of uncertainty has swept across the world, brought about by the increasing threat of terrorism and military action.

"Both have destabilising effects on all countries.

"According to forecasts, the total market for defence exports to Asia alone is predicted to rise to US\$70 billion between 2002 and 2006. And it is expected to continue to rise."

Mahathir said that in Southeast Asia, air and maritime defences were particularly important "because most of the countries are made up of huge archipelagos with long coastlines and innumer-

able islands to be secured".

Malaysia has built a series of radar stations along the western coast to monitor traffic along the Straits of Malacca, as well as deploying more patrol boats and aircraft for surveillance.

"But there is a financial limit to what Malaysia can do to protect international shipping that passes through the straits in increasing numbers," he said.

"The world, and in particular the nations whose ships make use of this waterway, should also help in securing the passage."

It was unclear exactly what help Mahathir was looking for, as both the United States and Japan have reportedly offered assistance in patrolling the 800km waterway without success.

The Malacca Straits is one of the busiest shipping lanes in the world, funnelling 50,000 vessels a year between the biggest economies of the West and the East.

A hunting ground for pirates since ancient times, it carries a third of global

trade and more than 10 billion barrels per day of oil to Japan, South Korea, China and other Pacific Rim countries.

It has also recently been the focus of fears that terrorists might try to hijack an oil tanker for use as a monstrous bomb, after the discovery of videos showing Malaysian boats on patrol in the strait, in an Al Qaeda hideout in Afghanistan.

Mahathir said many countries in the region were anxious not only to upgrade their air defences but also to acquire technology.

Noting a significant number of Malaysian companies in Lima this year, he said these companies were seeking to form joint-ventures with foreign corporations which have expertise in sophisticated technologies.

"And they have knowledge and insights into the markets of Southeast Asia. Mutually beneficial results can come from cooperation between Malaysia and foreign companies," he said. - Agencies