

The Lima success
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The Langkawi International Maritime and Aerospace Exhibition (Lima) - in my view - is a rare success of Dr Mahathir Mohamad.

Being one of the biggest air shows in Asia, the biennial event now attracts not only aerospace manufacturers from major countries such as Russia, Britain, Brazil and France, but also defence experts from Singapore and Thailand.

The immense interest of the international sellers in Malaysia's defence market - arguably among the most lucrative in the region - is phenomenal, given the country's relatively small size.

For instance, the London-based BAE Systems is keen to sell its Typhoon aircraft to Malaysia, while the French have been touting their Rafale as the best bet. Not to be outdone, Boeing's is also giving its competitors a run for their money with its Super Hornet.

As the Royal Malaysian Air Force (RMAF) is looking to phase out some of the ageing aircraft, others are in haste to promote their latest toys.

To underline the vital importance of further defence deals with Malaysia, British Defence Secretary Philip Hammond was in Butterworth last month for the Ex Bersama Lima 11, marking the 40th Anniversary of the Five Powers Defence Agreement, a vestige of the counter-insurgency era.

Multi-billion deals set to be done

Back in 2003, Mahathir opted for the Russian-made SU-30MKM over Boeing's F/A-18 E/F Super Hornet, to the chagrin of the Americans. The Russian product is no doubt equally advanced and capable of ground attacks when necessary, yet it was no secret that Mahathir's decision was partly formed by his obsessive anti-US streak.

Multi-billion ringgit deals are set to be done at Lima. Indonesia, for one, will likely sign a contract worth up to US\$500 million for the purchase of Sukhoi SU-30MKK, jointly developed by Russia and China.

Lima was launched back in 1991 as a showcase of Malaysia's strategic importance. Unsatisfied with being a small nation, the megalomaniac Mahathir was eager to raise the country's international profile with a semblance of power, albeit a middle one at that.

Situated between the Malacca Straits and the South China Sea, two potentially explosive sea lines, Malaysia's ability to navigate between major powers - the United States, China, Japan and India - is contingent on securing a significant military position for itself.

The territorial disputes with Singapore, Indonesia, Vietnam and the Philippines also indicate the limit of the so-called Asean consensus and the extent of Malaysia's distrust with these neighbours. For all the talk of neighbourliness, might still seems right most of the time.

That the two component parts of Malaysia are divided by the vast South China Sea also means that the RMAF must be able to project air power over the territorial waters in order to safeguard national sovereignty.

In view of this, Mahathir's effort to beef up Malaysia's defence was justifiable, but it also entailed controversies and allegations of corruption in defence procurement.

During the Mahathir administration, the people and the opposition were shunned by government officials

when it came to defence procurement. Questions were largely ignored on the grounds of national security, with the threats of draconian legislation, such as the Official Secrets Act, lurking in the background.

Although defence contracts worth more than RM7 million must be approved by the Ministry of Finance, many in fact went unaccounted over the past two decades.

Lack of transparency a serious concern

Among them, the two Scorpene and one Agosta submarines alone cost up to RM7 billion, and nobody in the government can explain why these deals were made without scrutiny.

Thanks to Wikileaks, at least we now know substantial government contracts were granted to politically well-connected companies, with kickbacks circulating back to Umno through various channels.

The lack of transparency in Malaysia's defence procurement is now a serious concern, but the government is still in denial and refuses to curb excesses.

This aside, diversification of defence procurement is not given due consideration. For example, the RMAF's fleet of American F/A-18Ds are highly sophisticated, equipped with a US software that does not allow Malaysian fighter jets to target a 'US-friendly' target such as Israel.

Experts also claim these fighter jets are installed with "bugs" that can transfer to the US authorities any confidential data and halt their operation. As ties with Israel deteriorate, the Turkish government recently dumped the nicknamed "Friend-or-Foe" System that was meant to identify Israeli aircraft as "friendly".

While Malaysian-US relations are crucial, it is still necessary for Malaysia to exercise discretion, especially on defence procurement and to demonstrate its impartiality.

The core concern, however, remains the opacity in defence deals. Does the staggering defence expenditure really buy us first-rate military equipment? We will never know until and unless the government is willing to shed more light.

Although Najib Abdul Razak was right in expressing that defence and security are of paramount importance, what he has failed to say is that Lima is now also a cash cow for Umno-linked companies.

Mahathir is, needless to say, nodding with approval. This is really what I mean by success.

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