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**Importance and Significance of Self-Reliance Principle
on the Development of the Malaysian Defense Industry**

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Abstract

The Malaysian government has established fundamental standards in its defense policy, which require the defense industry to be self-reliance and not overly reliant on foreign defense assets. Malaysia's Defense Policy should prioritize this principle, as it's a fundamental aspect of strengthening defense and military capabilities. Overreliance on foreign defense assets has been a long-standing issue, and the Malaysian Defense Industry still needs to be adequately equipped to meet the needs of the Armed Forces. This study examines the significance of self-reliance principle in Malaysia's Defense Industry growth and development, aiming to enhance the capability and advancement of Malaysia's military assets.

Keywords: Self-Reliance, Defense Industry, Malaysian Armed Forces (MAF), National Defense Policy (NDP);

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1.0 Introduction

Our environment today is a rapidly changing one, an era of globalization facing an unsteady system of international relations. Due to these circumstances, a nation's defense program requires a policy that involves equipping its armed forces to deal with varieties of situations that could ultimately endanger the nation's sovereignty and peaceful setting. Although Malaysia's security condition is stable right now, Southeast Asia still must deal with several security issues. This is evident in the myriad of non-traditional threats that continue to have detrimental effects on Malaysia's and Southeast Asia's national security, such as natural disasters, pandemics, increasing international criminal activities, separatist threats, and freshly emerging terrorist operations. (Pakeer Mohamed, A. S et al, 2022)

To ensure Malaysia's relevance within the international relations structure, the nation's sovereignty and independence must remain intact. Apart from that, by being proactive when it comes to matters of security, Malaysia's ability to strengthen its defense capabilities will ensure peace, freedom, and independence are maintained. (Chandran Jeshurun, 1994)

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2.0 Literature Review

The end of the Cold War left the defense industry at a major turning point. Since the end of World War II, most countries have developed the idea that the main feature of their security policy is to have a Defense Industrial Base (DIB), starting from the production of cars or buses to the manufacture of fighter planes and current battleships, and always ready to respond to various threats. The invention of new weapons, such as the Gatling gun, gave a glimpse of the future of modern warfare. All countries were faced with a new type of war, and power began to be measured by the capabilities of the developed national defense industry. This article looks at the importance of the self-reliance principle in developing the Malaysian defense industry. (Pakeer Mohamed, A. S et al, 2022). [10AN](#)

2.1 The Importance of Self-Reliance in Malaysian Defense Industry

Self-reliance means the ability to be independent, to rely on oneself to do something without the help of others. Self-reliance is also an act of developing something by using one's abilities. Self-Reliance is "depending on one's actions and capabilities". This concept could act independently without needing external assistance, especially in security matters. Both concepts can act independently in protecting and maintaining the security of its territorial integrity. Malaysia needs to be independent in the context of defense policy or implement the principle of Self-reliance. This is because it all began with Malaysia's painful experience after the British left in 1968. (Chandran Jeshurun, 1994)

In the context of independent defense, the country needs to defend its sovereignty, security, and territorial interests with its capabilities without expecting help from foreign countries by using both non-human and human resources. Self-reliance in the field of defense is important in modernizing and developing military capabilities through various initiatives. This can be seen from one of the initiatives, which is the development of the national defense industry to strengthen the national defense and security system further. The national defense industry focuses on the development of local defense products and does not just expect help from foreign countries, which is called "dependent self-reliance" depending on foreign countries. (Mohamed Fajil, Mohd Faisol et al., 2021)

In the context of the principle of Self-Reliance, according to Narayan. K. G. (2010) states that development and security need to be held within one's capabilities instead of relying on external assistance in developing the local defense industry. Therefore, the country needs to develop its defense industry to strengthen its capability as a military power further. This is because several factors lead to the implementation of the concept of self-reliance, among them:

Military expenditures and allocations are limited when purchasing defense products. Thus, defense industry policy needs to be developed without external assistance through purchases. Maintain and preserve the continuity of military power to safeguard national sovereignty and security without expecting external assistance in modernizing the national defense system. Supporting the principle of self-reliance is one of the principles of the NDP, which is a strategy for increasing security from domestic and foreign threats through the defense industry. (Narayan. K. G, 2010)

According to Barry Buzan (1991), Self-Reliance in the development of the defense industry for each country is an important security activity, not only for economic purposes. The development of the defense industry through the provision of defense assets to the military forces is also undeniable to achieve prevention from various dimensions of threats and to protect the country's interests in a rapidly changing environment of international relations. The principle of self-defense is related to the country's dependence on its ability; self-reliance requires the necessary resources without external help, while self-reliance is the ability to continue after the country has begun its efforts. (Barry Buzan, 1991)

3.0 Methodology

This study analyzes the importance of the self-reliance principle to ensure the growth and development of Malaysia's Defense Industry as outlined in the NDP. The objective of this study is to identify and discuss the importance and significance of the self-reliance principle in the development of Malaysia's Defense Industry. The study only utilizes a qualitative method involving collecting primary and secondary data, as well as content analysis. This includes analyzing documents such as national defense reports, journals, newspapers, and other relevant academic sources related to Malaysia's Defense Industry. The findings of this study are expected to provide guidance and support to stakeholders in the development of Malaysia's Defense Industry.

4.0 Finding

In the context of this study, the Defense Industry refers to the national industry owned by the government or private sector that contributes to the development and modernization of the country's defense system. Additionally, towards the end of the Cold War, the defense industry was prioritized and became a major agenda. This indicates that countries at that time were developing their defense industries and prepared to face any threat. In theory, the initial model of the defense industry is an asset of the state supported by the government. Nasibah Harun (2004), the defense industry is crucial in a state's defense policy as it helps safeguard the country's interests and sovereignty. Through the production and acquisition of defense assets, the capability of the national defense system can be enhanced.

According to Kennedy. G, (1983), a country's defense industry is developed through the acquisition of defense assets and services, including human resources in defense agencies, to ensure national security. This indicates that the defense sector is not only one of the heavy industries but also an economic activity that contributes to national security through the provision of defense products/asset through manufacturing and procurement. This can be seen in the Malaysian defense industry, where companies like AIROD Sdn. Bhd. can maintain and repair, producing components and equipment related to aerospace. In the context of the Malaysian Defense Industry, it involves activities related to the production, repair, upgrading, and modernization of all military assets or equipment to enhance defense

capabilities in line with the principles of self-reliance.

Furthermore, the implementation of Malaysia's Defense Industry development also focuses on establishing cooperation with other countries through the formation of contractual agreements. This can be seen in the Asia Defense Services Exhibition (DSA 2016), where 25 contractual agreements worth RM1.86 billion and government contract agreements worth RM737.175 million were approved. (Din, A. R, 2016) This indicates that the government enhances the competitiveness of the defense industry (local defense and security companies) through foreign investments and international marketing. Each country has different approaches and strategies for developing the defense industry. Some countries adopt an approach of purchasing from producing countries, technology exchange, and local development, while others utilize memoranda of understanding (MOUs) and contracts. The defense industry also aims to establish connections with other defense industries. In Malaysia, we have the Malaysian Industry Council for Defense, Enforcement, and Security (MIDES), the Defense Industry Division (BIP), and the Ministry of Defense (MINDEF). The defense industry serves to protect the country from threats posed by other nations. It is not only limited to the military sector but can also be developed in other forms of industries. (Mohamed Fajil, Mohd Faisal., et al., 2022)

4.1 Malaysian Defense Industry Posture Towards Self-Reliance.

The need for national defense posture serves as a reference for the development of the defense industry and is related to the emphasis on strengthening the defense industry. In the case of Malaysia, strengthening the defense industry is emphasized in the maritime sector, integrated with other services within the MAF. The main defense equipment industry is supported by other defense industry sectors such as electronics, weapons/ammunition, and supplies. The development of defense industry technology is aimed at enhancing the capability to produce defense and security equipment that meets operational requirements, characterized by high quality, weather resistance, high accuracy, high speed, and strength. According to Abdul Nazar Abdul Hamid (2004), in achieving the goal of self-reliant defense principles, the government has taken steps to open and develop the country's defense industry sector by focusing on several core areas, including the aerospace industry, maritime industry, automotive industry, weaponry, information and communication technology, joint equipment industry, defense, and exhibitions. The principle of self-reliant defense in Malaysia has been developed through the establishment of the defense industry since the 1970s. The government has also expanded the strength of the military by increasing the number of permanent members to 12,000 and 6,000 reserve forces divided into two brigades, seven infantry battalions, two reconnaissance regiments, and several logistics units. (Chandran Jeshurun, 1994) The principle of self-reliant defense is the foundation of the NDP and is supported by the Five Power Defense Arrangements (FPDA). Based on this principle, the government began taking steps toward the Defense Industry in 1970, although initially, it only involved non-technological industries. In the Third Malaysia Plan, the government seriously focused on the principle of self-reliant defense by formulating the Defense Industry Policy in 1982. This policy, part of the NDP branch, aimed to ensure the achievement of a self-reliant defense industry and its alignment with comprehensive growth and development within the national defense industry. (Chandran Jeshurun, 1994)

The government supervises production and manufacturing, while non-strategic defense assets such as passenger vehicles, medical equipment, and other common-use equipment are procured. Production is the responsibility of statutory bodies and private firms. Currently, the government's efforts to enhance the defense industry with a self-reliance concept are demonstrated through two government agencies: the Malaysian Institute of Defense and Security (MIDAS), established on April 21, 2010, and the Science and Technology Research Institute for Defense (STRIDE). The roles played by these agencies align with what Nasibah Harun (2002) stated, emphasizing that the responsibility for national defense lies not only with the MAF but also with such agencies as a collective approach to safeguarding the nation.

Steward Woodman (1992) argues that a country developing its local defense industry reaps economic benefits and political strength by exporting defense assets produced domestically. Several Southeast Asian countries, such as Singapore, Indonesia, and Thailand, have been able to develop high-tech defense assets and have become producers and exporters of military equipment. Bitzinger (2003) states that the main factors driving the involvement of Southeast Asian countries in defense industry development are to possess defense capabilities, achieve self-reliance, and promote economic growth. The prestige of a country signifies its esteemed status internationally, as it attains military power, becomes a regional power, and demonstrates the technological and industrial capabilities of the nation to other countries.

"An independent defense-industrial capability feeds directly into concepts of national power – not only by creating military power but also by demonstrating the country's industrial and technological prowess, thereby confirming its status as a great power in the broadest sense" (Bitzinger, 2003)

The power and strength of a nation lie in developing its local defense industry without relying on other countries. A nation that develops its defense industry can have absolute military power and be capable of preventing conflicts in international relations. A successful defense industry is also considered a component of national power. This can be seen in the example of Singapore, a small country with limited environmental resources, yet it has become a producer and exporter of defense assets to other countries. Currently, Singapore has made significant progress in the development of basic weaponry, particularly small and simple firearms and ammunition, and has achieved a certain level of self-sufficiency. (Bitzinger, 2003)

Developing countries have recognized the establishment of a domestic defense industry as a crucial effort to reduce reliance on foreign military capabilities. This idea demonstrates how developing, or user countries strive for self-reliant defense capabilities. Tun Dr Mahathir Mohamad (2019), supporting the rapid development of the local defense industry is necessary to avoid dependence on other countries. The national defense industry plays a vital role in enhancing a country's defense capabilities. Its active involvement, particularly in areas such as maintenance, repair, overhaul, spare parts supply, and the manufacturing of components and defense

equipment, also contributes to the modernization efforts of the armed forces. All these efforts contribute to the promotion of self-reliance or national self-reliance.

5.0 Discussion

The main objective of the defense industry is to assist in supporting 'MAF's logistics. In addition, the focus of the defense industry at the time also meets the requirements of the Unit. The term Unit, under the 'MAF', is about SME Company Ordnance Sdn. Bhd. The company is also known as Malaysia Explosive Sdn. Bhd. was one of the local companies that provided defense needs (weapons and bullets) at the time. In addition, a Malaysian aircraft servicing company known as Airod Sdn. Bhd (Airod) was established in 1976 to provide the logistical needs of the Malaysian Air Force. This shows that Malaysia has begun to develop a defense system within the Self-Reliance principle.

In 1984, Airod Sdn. Bhd has been disqualified as one of the collaboration companies under NADI (National Aerospace & Defense Industries Bhd). In 1999, to develop and consolidate the local defense industry, a Malaysian Defense Industry Council (MDIC) was established. Several targets were set to develop a local defense industry that is aligned with (MA)'s needs. According to Kogila (2008), the government has initiatives to develop the defense industry; this can be seen with the establishment of several government-owned defense companies that have been completely disqualified, for example, such as AIROD Sdn Bhd. The company became the first local company in the defense industry to maintain and improve the recovery of military assets/logistics. It allowed the local modern airline to master the science and technology in the field of defense, even becoming an incentive and pioneer to other local companies in breaking out this complex defense industry. (Kogila, 2008)

The local defense industry has been prepared to continue to commit to developing defense assets to raise the level of national defense and at the same time become a respected and credible force in the ASIA Region. At that time, most of those involved in the defense field were merely agents to Original Equipment Manufacturers (OEMs). (Kogila, 2008) IP Malaysia also started with the SME Ordnance Company in the 1970s, with the manufacture of small missiles. Malaysia also needed a high-capacity defense industry in more sophisticated fields. However, after 35 years, the results show that the defense industry has already been considered a strategic industry by the state. In general, its development is positive and has led to a situation where the defense industry can support the preparation of 'MAF'. The government has established the MDIC, where through the MDIC, plans are more integrated in terms of areas that can be explored by local companies in the field of the defense industry more systematically. (Mohamed Fajil, Mohd Faisol., et al., 2022)

6.0 Discussion

The ability of the Malaysian government to uphold the Self-reliance Principle can be defined as A nation with the strength to act accordingly without the need to rely on or be dependent on outside intervention in safeguarding its sovereignty and security. Furthermore, the Self-reliance Principle also refers to the freedom to do whatever is needed to protect regional peace, freedom, and independence. The self-reliance principle also emphasizes the ability to uphold the self-reliance mindset about a nation's independence structure. The Self-reliance Principle should not be restricted only to the MAF but should also be entrenched within all government agencies and society. Granted, it will be a long journey for the Malaysian Defense Industry to achieve self-reliance capability; however, with proper long-term strategy by the government in terms of technological and financial investments, the goal of Self-reliance can be achieved. Self-reliance will help strengthen Malaysia's ability to protect its territories and future generations. The Malaysian Armed Forces need to have the capability and capacity to defend this country by having more efficient and effective human and non-human resources. Human and non-human resources, such as trained troops and equipment of relevant and high-tech defense assets, need to be developed. This is because defense tactics and strategies often change and require changes in national defense assets and resources. In this new century, the defense strategy of a country has changed and has a new evolution. Energy resources, which are the number of military and defense personnel, do not give a perception or picture of the country's defense capability, which is seen as a threat and is feared if it is not supplied with technological defense assets under the defense doctrine. The use of high-tech military defense assets and tools such as fighter jets, armored cars, high-quality and high-performance radar systems, and weaponry will provide a deterrent and provide a strong capability in comprehensively maintaining national security. Further study about the challenges and obstacles facing Malaysia's defense industry should be analyzed to enhance its development and survival.

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Paper Contribution to Related Field of Study

This Paper contributed to the field of Defense Industry (DI), Defense Modernization and Defense Research

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