

# Defence spending increase in a recession : is it justified

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## IDSS COMMENTARIES (2/2003)

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### DEFENCE SPENDING INCREASE IN A RECESSION: IS IT JUSTIFIED?

**Andrew Tan\***

4 January 2003

The announcement by Singapore's Defence Minister Tony Tan that the defence budget for 2003 will be greater than the \$8.2 billion allotted for 2002 has underscored the impact that the terrorism threat has had on the country's security priorities. Much of the increase in spending will be on counter-terrorism measures, though there will be no let-up in upgrading the conventional warfare capabilities of the Singapore Armed Forces. According to Deputy Prime Minister Tan Singapore is in "a situation where the protection of our safety and security must be the highest priority...there is no way of cutting down spending on defence in these perilous times."

Singapore, however, is not alone in gearing its defence capabilities to meet the threat of terrorism as well as conventional warfare. Even before the seminal events of 11 September 2001, Malaysia's Defence Minister Najib Razak had called for the Malaysian armed forces to be able to meet a full spectrum of threats ranging from conventional warfare to low-intensity conflicts and urban warfare, the latter to deal with possible terrorist violence mounted by religious militants, whom he identified as the country's greatest internal security threat. The Philippines has also obtained substantial military assistance from the United States in combating the Moro rebellions in its southern provinces and, after September 11, training assistance from US Special Forces for the Philippines Armed Forces against the Abu Sayaff terrorists. The Philippine Government has also promulgated a Fourteen Point Plan to combat terrorism.

However Singapore's response to the discovery of an Al Qaeda-linked plot to attack a number of American and other western and local installations with truck bombs in late 2001, has been the most vigorous and comprehensive among the Southeast Asian states. The reason has to do with Singapore's innate vulnerability and strategic location. The plot, involving local and regional members of the Al Qaeda-linked Jemaah Islamiah terrorist group, highlighted Singapore as a prime target of the Al Qaeda, both as an integral node of the US-driven global economy and logistic base for the US military presence in the Asia-Pacific. Had the terrorist attacks succeeded, not only would they have inflicted heavy civilian casualties they would also have had a devastating effect on the economy and shattered business confidence, with potentially uncertain consequences for communal relations as well.

Hence Singapore promulgated the doctrine of "homeland security" which entails the building of a new security infrastructure to counter the terrorism threat, while enlarging the concept of total defence. This is accompanied by the establishment of coordinating centres to facilitate inter-agency and inter-ministerial cooperation in counter-terrorist operations,

intelligence assessment and policy formulation. They include the Homefront Security Centre, which oversees joint exercises and security operations; the Joint Counter-Terrorism Centre, which coordinates intelligence on terrorism; and the National Security Secretariat, which coordinates policy on counter-terrorism. A new Immigration Checkpoints Authority has been set up to bring Customs enforcement officers under one roof with the Ministry of Home Affairs to strengthen checks at all border entry points. Legislation has also been enacted to control the transit of 600 items of strategic goods, such as chemicals, viruses and computer software, which can be used to make nuclear, biological and chemical weapons. The new security architecture designed to deal with the new asymmetric warfare arising from terrorism will take years to be fully set up and operational, and will entail much expenditure on manpower, training and equipment. Should prevention and deterrence fail, the Civil Defence Force has the enhanced role of reducing the impact and containing the damage of any attack. Here the training of rescue and medical personnel, stocking of medicines and vaccines and upgrading of equipment to deal with nuclear, biological or chemical attack, will add to the cost of homeland security.

In the meantime the terrorists too will be learning from their operations and devising means to defeat counter measures, ensuring that counter-terrorism measures will be an on-going exercise. However expensive, enhanced civil defence measures and protective security are necessary to deter terrorist attacks and to minimise casualties should an attack take place. The fact that Singapore is well-prepared for terrorist attacks, and has the capacity to minimize the impact of such attacks, could itself be an effective deterrent. It is therefore appropriate that homeland defence is a major recipient of the increased defence budget.

The regional strategic environment remains uncertain. As the Defence Minister noted in February 2002, during the Asia-Pacific Security Conference, "conventional threats have not diminished, even as the non-conventional threats have grown." The threat of political instability within the region, and the continued salience of inter-state tensions, mean that conventional warfare capabilities need to be maintained, both for deterrent purposes and also as a contingency against worst-case scenarios.

A major priority during this decade would be to replace the large number of weapons systems which the Singapore Armed Forces has been using, and which will become increasingly obsolete in the coming years. They include armored personnel carriers, tanks and fighter-bombers - the M113 armored personnel carriers, AMX13 light tanks, A4 and F5E fighter-bombers are well over 20 years in age, older than most national service conscripts. The Airborne Early Warning system, centered around 4 E2C Hawkeye aircraft procured in the late 1980s, will also reach the end of its shelf life. Despite repeated upgrading, all of these need to be replaced by a new generation of weapons systems.

The need to upgrade the capability of the Singapore Armed Forces to defend Singapore against potential conventional threats is thus seen to be just as imperative as the need to build a security infrastructure to protect it against terrorism. Increasing the defence budget is thus perceived to be not only justified but necessary. Notwithstanding, a recession the Singapore Government is expected to show the political will to bite the bullet and take all necessary steps, however expensive, to ensure that Singapore is prepared to meet both asymmetric terrorist threats and conventional challenges to its security.

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