

How to measure value from defence spending?

The Malaysian case study

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Problem Statement

- ▶ Continuous challenge to demonstrate value from defence spending
- ▶ Defence activity is seen as costly and poor returns and non-transparent
- ▶ Others justify defence spending as 'expense of sovereign and commonwealth' requiring state intervention
- ▶ The hard question is always to measure the value derived from defence spending



Research Question

How to measure value from defence spending?



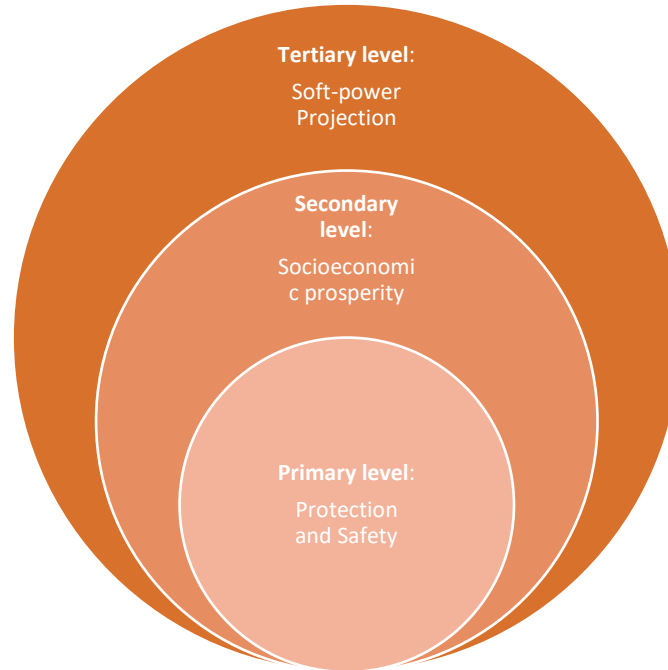
Research objectives

- ▶ Critically analyse the concept of value, and complexity of measuring value in the defence context;
- ▶ Discuss Malaysia's Defence White paper (2020) and relevance of measuring value for the defence sector.
- ▶ Evaluate the challenges faced by the Malaysian defence sector in delivering value
- ▶ Suggest how to boost defence value through defence spending.



Theoretical framework

The 'triple defence value framework' (TDV)



Research methodology

- Pragmatism /interpretivist
- hypo-deductive approach using qualitative research methodology.
- Strategy – case study
- Primary data sources include open-ended and semi-structured interviews ; literature review and documents such as government reports , contracts and on-line sources
- Analysis using a thematic discussion



Research findings and results

- ▶ **Primary value** : measuring the state of readiness
- ▶ **Secondary value** :
 1. Economic and industrial derivatives –
 - Defence industries, job creation, exports
 2. Humanitarian and Disaster relief (HRDF)
- ▶ **Tertiary value** :
 1. Defence diplomacy;
 2. Bilateral and multilateral engagement



Conclusion

- ▶ Very challenging , complex and hard to measure value from defence spending
- ▶ Should be a practise within the defence community to communicate the role of defence and relevance to civil society;
- ▶ The TDV as an evaluation tool is a generic framework to measure 'value' in defence
- ▶ The TDV framework need to be customised to the context of each country;

