

THE DISTRIBUTION OF THE DEFENSE INDUSTRY IN THE LARGE ISLANDS IN RESPONSE TO THREATS IN THE JOINT DEFENSE AREA COMMAND WORKING AREA

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ABSTRACT

The national defense industry is an industry that has high economic value in national development. Currently, the Indonesian defense industry continues to develop, producing defense equipment such as aircraft, drones, warships, combat vehicles, weapons, ammunition, missiles and components needed for defense. However, the existence of the defense industry is still concentrated on the island of Java. Indonesia, which has a very large land and sea area of approximately 5,176,800 km² and has potential military and non-military threats throughout the region, needs to carry out the distribution of industrial locations on large islands which can be used as a defense strategy and the mobilization of defense equipment and defense products quickly towards hot spots. Meanwhile, the joint defense area has also been divided into three, namely the Joint Defense Area Command (Joint Regional Defense Command) I, II and III. The division of the joint defense command area includes Joint Regional Defense Command I in western Indonesia, Joint Regional Defense Command II in central Indonesia and Joint Regional Defense Command III in eastern Indonesia. The defense industry is also balanced with a warehouse system for personnel provisions, operational provisions and maintenance provisions according to the defense area. The problem in this research is that there is no defense industry on the large islands in the Joint Regional Defense Command working area, which has become an obstacle in mobilizing logistics to face threats. The results of this research show the importance of distributing or deconcentrating the defense industry from Java to large islands in the Joint Regional Defense Command area so that it can respond to logistics mobilization to face threats.

Keywords: Defense Industry, Distribution, Large Islands

1. INTRODUCTION

Observing developments in the current international and regional strategic environment which is marked by the war in Eastern Europe between Russia and Ukraine which has been going on for more than the last two years. Russia's invasion of Ukraine has resulted in both military and civilian casualties. Many cities in Ukraine were destroyed because they were unable to resist. The war involved Western countries which were members of the Pact for the Countries of Europe, Asia and North America, known as the North Atlantic Treaty Organization (NATO), led by the United States. The mobilization of war equipment from supporting countries was blocked and destroyed by Russia before entering Ukraine. Likewise, the war that took place in West Asia between Israel and Palestine which is affiliated with Hamas in early 2024. Both wars also involved

supporting countries that mobilized forces such as Israel which was supported by the United States, England, Germany, France and Canada. Meanwhile, Palestine or Hamas is supported by Iran, Iraq, Yamman (Houti), Russia, North Korea. The two poles of this region have used various high-tech weapons, both manned (aircraft, warships, Combat Vehicle) and not (missiles/torpedoes, land, sea and air drones) that are deadly. War equipment aid from supporting countries was also blocked in the Red Sea by Yemen's Houtis before entering Israel. On the other hand, the South China Sea region also shows political and security escalation which is still characterized by China's claims to the national jurisdiction of six countries, namely the Philippines, Brunei, Malaysia, Vietnam, Indonesia and Taiwan.

The United States has formed a defense pact to respond to China's actions in the South China Sea by forming the AUKUS alliance (Australia, Britain

and the United States) and the QUAD alliance (United States, Japan, India and Australia). War equipment was deliberately imported from supporting countries via long shipping routes and across Indonesian waters.

The conflicts that occur in several areas are supported by the capability of the defense industry which has developed rapidly and modernized rapidly since War II, the Cold War in the 60s until now. The existence of the world defense industry is not only for war purposes but has become a business and improves the economy of quite large producing countries, especially in large island areas. This research will discuss empowering the country's defense strength and capabilities by distributing the defense industry on large islands as a pillar in responding to all forms of threats, both military and non-military.

2. LITERATURE REVIEW

2.1 Defense Industry Theory

The global defense industry has brought about a change in weapons procurement from independent to interdependent resulting from increased cooperation and collaboration in defense production (Marry Kaldoran & Ulrich Albercht). The defense industry is not only the production of defense equipment, defense equipment, missiles/torpedoes, ammunition, spare parts but also food and groceries (Class 2 Provisions).

In the aspect of national defense, it cannot be applied absolutely to the interests of command strategy alone, but support management must also be considered in order to expedite the command itself. Strategic management in the military environment has been used in all aspects starting from planning, operational implementation, termination to evaluation. The implementation of military operations cannot be separated from a plan that is managed by taking into account various aspects with the aim of ensuring that the plans that have been prepared can be implemented and have a positive impact on the organization in the long term (constant growth). This is in line with the theory put forward by George A. Steiner and John B. Miner (1997) that strategic management is used to identify the formulation of top company policies/strategies and their implementation in public and private organizations. Meanwhile, David (2011: 5) said that strategy is the art and knowledge of formulating, implementing and evaluating cross-functional decisions of an organization in achieving its goals.

2.2. Participation Theory

This theory focuses more on efforts to integrate management, production (operations), finance or accounting, marketing, research and development and computer information systems to achieve organizational success. Thomas L Whelen and J. David Hunger (2008:3) add that strategic

management is a series of managerial decisions and actions that determine the long-term performance of the company and actions that determine the long-term performance of the company which includes environmental aspects (external and internal), formulation strategy (long-term planning strategy), implementation and evaluation of strategic control.

2.3. Development Theory

Development theory according to Jorge Larrain (1997) can be understood in two major paradigms, modern and dependency. This modern paradigm includes macro theories about economic growth and social change, while micro theories about individual values that support the change process itself. Meanwhile, the dependency paradigm includes theories of underdevelopment, dependent development and world systems theory. Meanwhile, according to Deddy Tikson (2005), he divides development into three classifications, namely modernization, underdevelopment and dependency. From these various paradigms, various versions of development emerged. Development is a coordinated effort to legally create more alternatives for every citizen to fulfill human aspirations. Development is also a manifestation of the process of making changes for the better.

2.4 Defense Theory

According to Makmur Supriyatno (2014: 12), if the deterrence strategy is no longer able to prevent war or the deterrence strategy fails, then war can no longer be avoided. In more detail Makmur Supriyanto emphasized that defense is one dimension of national security, apart from the other dimensions because if you look at the concept of national security from a domain perspective, that is, you can see the scope of national security consisting of external defense, internal security, public order and disaster management. John M. Collins (2019:11) put forward the Defense Planning Management theory. In military organizations to deal with combat situations a planning system is needed to win the battle. In the defense planning process, it is stated that the consequences of determining a military strategy must be supported by the necessary resources. If faced with available resources, an adjustment process will occur. If there is a mismatch between goals and strategies and the facilities available, the risks that arise must be estimated. In determining objectives, there must be a revision of strategy, resources or both.

3. RESEARCH METHODS

This research method was carried out descriptively qualitatively with a case study approach. The use of an qualitative approach with case studies is considered appropriate because this research seeks to understand a social problem and

the relationships between the actors involved in it. Problem analysis and discussion are carried out in depth from various sources of information/data and obtained descriptively to answer existing problems.

4. DISCUSSION AND RESULTS

4.1. Defense Industrial Policy

The Defense Industry as regulated in Article 1 paragraph (1) of Law Number 16 of 2012 concerning the Defense Industry is a national industry consisting of State-Owned Enterprises (BUMN) and Private-Owned Enterprises, either individually or in groups determined by the government for some or all produce defense and security equipment, maintenance services to fulfill strategic interests in the field of defense and security located in the territory of the Unitary State of the Republic of Indonesia (NKRI). The development of the defense industry is part of national resource management planning to support the interests of national security and defense.

Observing the escalation of armed conflict in various regions, Indonesia is always paying close attention to this phenomenon to evaluate and develop defense strategies in the face of threats by establishing defense areas distributed across the large islands of the archipelago according to the working areas of Joint Regional Defense Command I, II and III. This defense strategy also includes developing and building the defense industry. On the other hand, the defense industry itself is one of the main policies in national defense.

Policy direction in building advanced, strong, independent and competitive industry to support national defense and realize national economic growth. The development of the defense industry is also directed at achieving a professional, effective, efficient and integrated industry as well as fulfilling international cooperation.

The policy of empowering and developing the defense industry is also carried out to realize defense independence, development of defense areas that rely on large islands and synergy in structuring defense areas. The existence of the national defense industry must be supported in implementation and encourage relevant ministries/agencies to use domestic defense industry products. International defense industry cooperation must continue to be improved, especially for transfer of knowledge (ToK) and transfer of technology (ToT) for defense equipment in the form of research, development and production cooperation.

In line with Law Number 16 of 2012 concerning the Defense Industry, there is a great opportunity and an accelerator in the empowerment and growth of capital-intensive, labor-intensive and technology-intensive industries for the purposes of fulfilling the Main Weapons System Equipment, Defense and Security Equipment needed by the TNI,

Polri and related institutions as a whole. advanced, strong, independent and competitive. Historically, the defense industry built by the Dutch Colonial Government was used to meet the need for maintenance and repair of war equipment. However, now it has developed and is directed at producing Main Weapons System Equipment products, defense equipment and its supports which include land combat vehicles, warships, aircraft, weapons, bullets, ammunition and even food and groceries (Class 2 provisions). It has been more than a decade since the defense industrial policy was issued, but the development of the defense industry specifically in the production of defense equipment, defense equipment and up-to-date and high-tech security still relies on foreign products. The existence of the domestic defense industry continues to be empowered to meet the TNI's defense equipment needs to meet the Minimum Essential Force (MEF) target in 2024 as well as independence in procurement of defense equipment in 2029. Several large and strategic defense equipment still depend on foreign imports because the role of industry is not yet optimal domestic defense.

4.2 Defense Industry Commitment

The Indonesian government is always committed to spurring domestic defense equipment production by fulfilling the turnover of 30-40% of national defense industry products. The TNI's defense equipment needs have not been met due to the lack of coordination between state institutions, limited working capital, the absence of long-term support, incentive support and export financing, R&D funding and national R&D cooperation and the availability of human resources with defense technology competence.

To encourage the independence of the national defense industry, the Indonesian Defense Industry Policy Committee (KKIP) has also been formed directly under the President of the Republic of Indonesia and the Minister of Defense whose function is to assist the Minister of Defense in coordinating national policies in planning, formulating, implementing, controlling, synchronizing and evaluating the defense industry through policies. macro. The defense industry development policy will result in the independence of the national defense industry and be able to provide a strong deterrent effect, a multiplier effect in the economic sector, guarantee the supply of munitions, reduce dependence on imports and increase Indonesia's economic growth (Rahmad, R & Susilo, E, 2022). The competitiveness and strategic need for the Defense and Security Equipment needed by the TNI is a problem in itself. The defense industry's capabilities to date have not been able to produce independently without international defense industry cooperation. Defense equipment and defense

equipment products that are strategic for defense equipment needs, such as aircraft, must collaborate with foreign manufacturers with purchase contracts and ToT and ToK schemes. Product collaboration also creates a good experience for the defense industry which has been demonstrated by selling several aircraft, warships, weapons and land combat vehicles. However, on the other hand, the TNI cannot fully use the products of the national defense industry due to differences in Operational Requirements and Technical Specifications which they do not have. Therefore, there is a need for cooperation in procurement which can be a profitable way for the international defense industry. The involvement of the national defense industry through the KKPI in the planning function for defense equipment needs is a progressive step in fulfilling the needs of the TNI's defense equipment and defense equipment. On the other hand, the defense industry's commitment must continue to carry out internal evaluations and corrections of its own capabilities in the face of the high demand for defense equipment and defense equipment required by the TNI so that it can compete with the international defense industry.

Transparency in the management of industrial management as a private legal entity (State-Owned Enterprise/BUMN) must be strictly controlled or supervised in order to be able to generate profits and foreign exchange for the State. Empowering human resources with defense technology capabilities that utilize the latest technology, namely information technology, is the minimum standard in product development and innovation. Certification of expertise in each field is also a special concern in developing the defense industry through education and training as well as licensed ToT from the international industry.

A commitment that is no less important in industrial management is the conveniences outlined in government policy so that there are no more obstacles in the development and innovation of product design and competitive international marketing.

Development and innovation cooperation also needs to be established with domestic universities, private defense industry, research institutions and so on to enrich R&D products. Budget support for research and development (R&D) must be a real and sustainable government commitment.

Dwight Eisenhower (1961) in Hariz Sandy provides the view that the Military Industrial Complex (MIC) is a series of strategic collaborations involving the government, human resources, business world, banking, defense industry, strategic analysts, retirees who are related in a role division scheme.

Campaigns for domestic industrial products must be carried out in synergy both by the industrial management itself and the government through foreign cooperation channels. This information also needs to be disseminated to the public to help promote Main Weapons System Equipment and Defense and Security Equipment programs or products produced by the national defense industry.

4.3. Defense Industry Concentration on Java Island

The national defense industry since the Dutch colonial occupation until now has still been concentrated on the island of Java. Initially it was for the purposes of maintaining and repairing war equipment used in the colonies. However, it has developed to produce supporting equipment which includes land combat vehicles, warships, aircraft, weapons, bullets and ammunition. PT Pindad (Persero) as a land-based defense industry started from the *Constructie Winkel* (CW) weapons workshop founded by Governor General William Herman Daendels in 1808 in Surabaya. Together with workshops for the repair and manufacture of munitions and explosives, the *Proyektiel Fabriek* (PF) in 1850 was then merged into the Artificial Intelligence (AI) before WWI and was relocated to Bandung as a war strategy. PAL Indonesia (Persero) was originally a Marine Establishment (ME) shipyard in 1939 in Surabaya which functioned to carry out maintenance and repairs on ships of the Dutch East Indies fleet. Then in 1961 it changed to PAL. PT Dirgantara Indonesia (Persero) as an air force industry in 1914 started as a test flight in Perak Vliegkamp Perak and Vliegkamp Morokrengan in Surabaya then changed to the Aviation Industry Preparation Institute (LAPIP) and in 1966 became the Nurtanio Aircraft Industry Institute (LIPNUR) in Bandung. PT Dahana (Persero) as the forerunner of the explosives industry in 1964 in Tasikmalaya. Initially, the Menang project was a collaboration between the Air Force of the Republic of Indonesia and Hispano Suiza (Switzerland) to build a rocket manufacturing factory for the purposes of the Trikora and Dwikora military campaigns. Then it developed into making explosives and was named Dahana. And there are still many national defense industries, both state-owned and private, that can be empowered for the benefit of defense development and national economic growth.

These defense industries experienced rapid progress in the 1980s with the merger under the Strategic Industrial Management Agency (BPIS) in the 1980s to make them more efficient and competitive in the global market. However, it wasn't long before the monetary crisis occurred in 1987 and a Letter of Intent (LoI) was signed with the IMF with the condition that it stop state funding for national strategic industries and release the share value to

the public. Several strategic industries are diversifying their business to focus more on civil equipment products as an effort to survive due to Indonesia's uncertain financial conditions.

4.4 Defense Strategy for the Large Islands

The direction of developing defense forces in facing the spectrum of war threats at tier III of resistance in the future is universal in increasing the country's defense capabilities, especially the defense of large islands. The development of the country's defense posture is directed at achieving harmonization between military and non-military defense which is characterized by people, universality and regionalism by prioritizing strengthening the country's defense on large and strategic islands which are a priority for national development. In accordance with the TNI's Long Term Plan for National Defense System Development 2020-2024, the defense area is divided into 5 TNI strategic compartments, namely Sumatra, Kalimantan, Sulawesi-Maluku, Java-Bali-Nusa Tenggara, and Papua. This TNI force must be able to carry out operations independently in their respective regions. Therefore, this independence must also be supported by the existence of a defense industry that is appropriate to the dominant threats. To realize this, the defense area relies on the defense of large islands (P3B) independently according to strategic compartments and National Strategic Areas (KSN). The strategic policy for defense of large islands certainly involves land, sea and air dimensions which will always be prioritized to address potential threats which always disrupt the integrity of the Republic of Indonesia. For example, potential threats that occur in warrant areas such as Papua and Aceh come from threats on land and currently Indonesia is still experiencing difficulties in overcoming threats and security disturbances such as in Papua. Indonesia's defense policy must also not be careless regarding threats that come from the sea, namely tensions in the Ambalat Block of the Sulawesi Sea with Malaysia and the Natuna Sea which China claims on the basis of the nine-dash line. Conditions like this show that Indonesia is having difficulty responding to threats quickly because it does not have the strength and capabilities in distant areas.

Placing defense equipment in areas close to the emergence of threats is a strategy that will be taken into consideration by the enemy in carrying out threats in the territory of the Republic of Indonesia. Likewise, placing aircraft at nearby bases will be a priority consideration in utilizing the existence of large islands as multi-layered defense areas, namely zone I as a buffer, zone II as defense and zone III as a zone of resistance. The defense strategy for this large island also poses a threat to the State or enemies who will disrupt the territorial sovereignty of the Republic of Indonesia.

4.5 Defense Industry Deconcentration

Until now, Indonesia is still experiencing difficulties in supporting the logistical availability of operational supplies, maintenance supplies and personnel provisions to anticipate threats originating from land and sea. Therefore, the government in the defense sector needs seriousness and commitment in assessing areas that are vulnerable to the security and defense of the territory of the Republic of Indonesia.

The mobilization that has been carried out by the Indonesian military to overcome threats must come from various regions which require mobilization over long distances, over a long time and at high costs. This needs to be evaluated so that the mobilization value can be more effective and efficient with local regional defense capabilities. One of the strengthening of the country's defense capabilities that is no less important is the distribution of the defense industry on large islands in order to reduce the concentration of power on the island of Java, which has so far been the concentration of the defense industry. The development of the defense industry can utilize regional resources to strengthen defense through the defense industry as a deterrent to opposing forces.

The distribution of the defense industry needed in the defense area certainly has different characteristics resulting from the form of existing threats. Basically, the development of the defense industry will also have an impact on macroeconomic and macro-economic development which is mutually beneficial. In principle, the defense industry to strengthen regional defense includes industrial needs that are able to support operational provisions, maintenance provisions and personnel provisions.

Likewise, to meet the need to respond to maritime threats, it is necessary to build a ship industry and ship maintenance (docking) yard in collaboration with the local private sector to build patrol or corvette class warships and auxiliary ships so that they can provide a deterrent effect against the enemy.

The distribution of the defense industry must also be balanced with the development of a warehouse system as an auxiliary depot that can directly and effectively distribute Class I-10 supplies or at least personnel supplies, maintenance supplies and operational supplies.

Construction and development of other defense equipment industries, namely bullets, munitions and missiles which can be developed in the regions and can be mobilized as anti-air attack defense on the coastlines of outer islands and large

islands to protect vital national strategic objects such as the National Capital (IKN) in East Kalimantan.

5. CONCLUSION AND SUGGESTIONS

5.1 Conclusions

The empowerment of large islands as pillars of the defense of the Indonesian archipelago requires strengthening through the distribution of the defense industry and warehousing systems in order to increase the efficiency and effectiveness of nature in responding to existing threats. The distribution of the defense industry must also consider potential threats so that there is an appropriate target and appropriate response to mobility accompanied by the Bantu Depot warehousing system on large islands.

The distribution of the defense industry always involves existing local resources accompanied by cooperation between domestic and foreign defense industries. Research and transfer of technology are the first steps that must be developed through the government's commitment to developing the defense industry which will directly have a counteracting effect on threat responses and micro and macro-economic growth which is very beneficial for the people at large.

5.2 Suggestions

Dispersal of Defense Industry Locations: It is important to consider the distribution or deconcentration of industrial areas to large islands outside Java, especially those in the Joint Regional Defense Command working area. This can increase the effectiveness of logistics mobilization and strengthen defense throughout Indonesia.

- a. Infrastructure Development: It is necessary to develop supporting infrastructure on large islands to accommodate industrial maintenance, including production, maintenance and storage facilities for defense equipment.
- b. Supply Chain Optimization: The deployment of industrial protection must also be balanced with efficient supply chain optimization, including the distribution of personnel, equipment and logistics to support faster and more responsive maintenance operations.
- c. Synergy with Joint Regional Defense Command: There needs to be closer synergy between the defense industry and Joint Regional Defense Command to ensure that the industry is able to support the specific needs of each defense area and can respond quickly to emerging threats.
- d. Increasing Local Capacity: Development of industrial areas on large islands can also be an opportunity to increase the capacity and skills of the

local workforce, which in turn can encourage regional economic growth.

- e. Continuous Research and Innovation: It is important to continue conducting research and innovation in industrial protection in order to anticipate and overcome increasingly complex and diverse threats.

These suggestions can serve as a guide for policy makers in planning a more equitable and effective industrial area development strategy throughout Indonesia.

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