

**Composition of Defense Budget of the Directorate General of Defense
Potential Republic of Indonesia and its Impact on the Defense Economy
in Covid-19 Pandemic**

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Abstract: This study discusses the impact of the Covid-19 Pandemic on the Defense Budget of the Directorate General of Defense Potential of the Indonesian Ministry of Defense. This research is motivated by the existence of a Pandemic which has an impact on changes in the composition of the Defense Budget of the Directorate General of Defense Potential of the Ministry of Defense of the Republic of Indonesia. The results of this study indicate that the implementation of the Defense Budget of the Directorate General of Defense Potential of the Ministry of Defense of the Republic of Indonesia is not in accordance with what is planned in the strategic plan, this discrepancy indicates that due to the Covid-19 Pandemic which resulted in changes in the composition of the budget of the Directorate General of Pothan of the Ministry of Defense of the Republic of Indonesia, this has an impact on program implementation and the goal of the results to be achieved previously. Suggestions that become recommendations for input in this research are the existence of Special Funds in each Ministry/Institution that can be used for special things such as during the Covid-19 Pandemic so that it is hoped that activities that are a National Priority Scale can run well and so that the results of the activities are achieved. implemented to achieve the desired goals.

Keyword: Defense Economics, Covid-19 Pandemic, Budget Changes, Directorate General of Pothan.

1. Introduction

Corona virus disease 2019 which we often call Covid-19 is a new type of disease with rapid transmission due to the corona virus which first appeared in Hubei Province, China, precisely the city of Wuhan. Mild to moderate symptoms will be experienced by anyone who is exposed to the Covid-19 virus, however, there is no special treatment for curing except with a healthy lifestyle.

The rapid transmission of this virus has made many countries issue policies by imposing a lockdown as a way to prevent the spread of the Corona virus (Setiati & Azwar, 2020), (1) a healthy person accidentally inhales the droplets of saliva that come out at the same time as sneezing or coughing from an infected person; (2) a healthy person's hand is placed in the mouth, nose area, or around the eyes without cleaning the hands first, after the person touches an object that has been splashed by droplets from the sufferer; and (3) communicate from a close distance or no more than 2 meters from patients with Covid-19 infection without using a mouth to nose cover (Khaeruman et al., 2020). Because this is a disease that can be transmitted easily and is also a high risk type, it is also easy to infect medical workers who carry out treatment for patients affected by COVID-19. Thus, health workers and personnel who make direct contact with patients need to wear tools to protect themselves when handling patients or sufferers (Theopilus et al., 2020).

To suppress the spread of Covid-19, the Indonesian government issued a policy in the form of Large-Scale Social Restrictions abbreviated as PSBB in reducing the rate of transmission of the virus and also tried various ways (Pane, 2020). In addition to the policy on maintaining physical distance (physical distancing) of at least one or two meters from sufferers, the government also fully supports the use of the state budget in handling and preventing the spread of Covid-19 (Maeskina & Hidayat, 2021).

Since the outbreak of the pandemic in Indonesia, the government has taken measures to prevent the transmission of Covid-19 in the form of Presidential Instruction of the Republic of Indonesia Year 2020 Number 4, which outlines activities for refocusing, reallocating the budget, and accelerating the process of procuring goods and services for handling this virus. This also affects the realization of budget absorption, especially on spending for employees, expenditures for operational and non-operational goods and expenditures that generate capital.

The Ministry of Defense, hereinafter referred to as Kemhan, is domiciled on Jl. Medan Merdeka Barat No. 13-14 Central Jakarta, is the implementing element of the government led by the Minister of Defense, hereinafter referred to as the Minister of Defense who is under and responsible to the President. The Ministry of Defense has the task of carrying out affairs in the field of defense within the government to assist the President in administering the state government

In carrying out the tasks as referred to in Article 3, the Ministry of Defense carries out the following functions: (1) formulating, determining, and implementing policies in the field of defense; (2) the management of state property/wealth is the responsibility of the Ministry of Defense; 3) supervision of the implementation of tasks within the Ministry of Defense, and; (4) implementation of technical activities from the center to the regions.

The Ministry of Defense consists of: (1) Secretariat General; (2) Expert Staff of the Minister; (3) Inspectorate General; (4) Directorate General of Defense Strategy; (5) Directorate General of Defense Planning; (6) Directorate General of Defense Potential; (7) Directorate General of Defense Forces; (8) Defense Facilities Agency; (9) Research and Development Agency; (10) Education and Training Agency; (11) Data and information center; (12) Financial Center; (13) Public Communication Center; and (14) Disability Rehabilitation Center.

The Directorate General of Defense Potential, commonly abbreviated as Ditjen Potan, is an echelon I unit under the Ministry of Defence. The Directorate General of Defense Potential has the task of formulating and implementing policies and technical standardization in the field of defense potential.

The functions of the Directorate General are 1) preparation of departmental policy formulation in the field of defense potential; 2) preparation of standards, norms, guidelines, criteria and procedures in the field of defense potential; 3) implementation of policies in the field of fostering awareness of state defense, potential for human resources, potential for natural and artificial resources as well as potential for facilities and infrastructure; 4) providing guidance, technical supervision, licensing and evaluation in the field of defense potential; and 5) administration and management of the Directorate General.

2. Methods

The article in this study is a qualitative research using a library research approach. Literature research is a study that studies various reference books and the results of previous similar studies that are useful for obtaining a theoretical

basis on the problem to be studied (Sarwono, 2006). The literature study in this research was carried out by searching and studying various literatures, scientific articles, in the form of books, journals and other documents related to the Covid-19 Pandemic to the Composition of the Defense Budget of the Directorate General of Defense Potential of the Indonesian Ministry of Defense.

According to Miles and Huberman (2002), data analysis is an activity that refers to a systematic review or examination of a matter in order to determine the parts, the relationship between the parts and the relationship in the whole. These activities are carried out simultaneously and interweave between data reduction and conclusion drawing or verification, starting from data collection and returning to provide feedback on data collection.

In this study, the authors used data analysis techniques with a qualitative descriptive analysis strategy model. This analytical technique model can provide an overview of how the flow of data analysis logic in qualitative research can also provide input on how qualitative data analysis techniques are used.

3. Results and Discussion

Budget Refocussing

Refocusing or Amending the Budgets of Ministries and Agencies is one of the government's efforts to prepare sufficient ammunition to fight the Covid-19 virus. Budget cuts by the government must be done, to save the economy in Indonesia. Where during the Covid-19 pandemic, many budgets, especially those involving many people, could not be absorbed or realized so it would be better if they were diverted for handling Covid-19.

Budget Trimming Process, the budget cut process is carried out by not disbursing the proper budget from the APBN to the APBD. Then the OPD can adjust the implementation of activities according to the small budget that has been disbursed by the government.

The impact of budget cuts The spread of Covid-19 which has spread to various parts of the world has an impact on the Indonesian economy, both in terms of trade, investment and tourism. As in government, the impact of this budget cut is very clear. Many activities cannot be carried out in accordance with previously carefully planned programs such as focus group discussion activities, workshop activities and so on which are temporarily postponed or can be shifted to online so as to save budget. There are several types of activities that are postponed or canceled, namely activities that are considered no longer relevant or

not within the priority corridors that are not related to the Covid-19 response, for example, business trips are carried out by procuring hand washing facilities, procuring hand sanitizers and so on.

Activities involving large crowds have all been cut and some have been postponed. Some budgets were cut, such as official travel, General Stadium, Seminars, Workshops, Bali Arts Festival, development exhibitions, scientific work gatherings and similar activities. These budget cuts also have an impact on the finance staff in budget management. Many problems arise from budget cuts, such as seminars or webinars that have been carried out, the resource persons should have been paid, but because there has been a budget cut, they cannot be paid (Suparman, 2021). In addition, budget absorption becomes low with the reduction of many activities. However, there are several activities that are not subject to budget cuts, namely spending on the impact of Covid-19, as well as expenditure on personnel, office services and operations, student development, research and procurement of facilities and infrastructure.

Impact of the Covid-19 Pandemic

The presence of the Covid-19 virus outbreak will basically have a major impact on various sectors in a country. Indonesia is one of the countries that has felt the extraordinary impact of the Covid-19 pandemic that is now present. Covid-19 has had a devastating impact on every developing country, including Indonesia. Every developing country must be able to survive with various additional years of debt in addition to having to overcome the Covid-19 problem that is now present. Indonesia will basically be in danger of an unsustainable budget deficit (UNCTAD, 2020). A big problem, of course, is a crucial thing that the government must pay attention to in responding to the increasingly massive spread of Covid-19.

Various impacts of the emergence of the Covid-19 virus outbreak itself are present in various sectors in Indonesia. The Miskey Consulting Agency said that there was a tremendous impact the presence of the Covid-19 virus outbreak had on the quality of business in Indonesia. First, as a major disaster that has never been found before and has had a tremendous impact on the pace of development of various world business sectors. Second, related to the handling model, of course China is a country that becomes the first reference in handling the Covid-19 virus outbreak.

This was followed by South Korea, which carried out a lockdown accompanied by mass Covid-19 tests to carry out maximum handling. Third, the government is experiencing a huge dilemma in dealing with the Covid-19 virus outbreak. As we all know that basically the presence of covid-19 must have methods of prevention and also handling that must be carried out optimally.

However, apart from that, one must also pay attention to the economic shocks that have occurred as a result of the presence of this Covid-19 virus outbreak. Apart from the negative impacts that exist from the Covid-19 pandemic conditions that were present, there were also various positive impacts. The presence of the PSBB policy to the emergency PPKM which until now continues to roll in the community has minimized the budget that must be spent in various fields (Rahmawati et al, 2020).

Ministry of Defense Budget

The Defense Budget in 2021 reaches IDR 136.9 trillion in the 2021 Fiscal Year APBN Bill. The budget is intended for the needs of the fulfillment of the main defense system equipment and its maintenance (Perdana, 2021). However, President Jokowi's hopes for the need for equipment and equipment will partly be met by increasing domestic production and can be met by domestic industry (Irawan, 2021).

The 2021 target was prepared based on consideration of the transition period from implementing the old program to the new program as well as the impact of the Covid-19 pandemic which had a major impact on the decrease in the number of patients, resulting in a decrease in hospital income.

In the Macroeconomic Framework and the Fundamentals of Fiscal Policy for 2021, entitled Accelerating Economic Recovery and Strengthening Reforms, the Ministry of Defense's budget is used to support the achievement of priority targets for national development in the defense sector. The Ministry of Defense's programs include the use of force programs, modernization programs for defense equipment and non-defense equipment and infrastructure, defense resource development programs, and soldiers' professionalism and welfare programs (Yamali and Putri, 2020).

On the basis of these four basic aspects, some of the main national defense policies in 2021 include 1) continuing the handling of the Covid-19 pandemic, through increasing defense capacity in the form of infrastructure and health services at the Ministry of Defense and TNI Hospitals; 2) preparation of National

Defense Human Resources through the establishment of the Defense University Undergraduate Program; 3) strengthening the function of developing defense resources and developing national logistics reserves; 4) continuing the development of the TNI's posture to fulfill basic strengths through modernization of defense equipment for the land, sea and air dimensions, as well as personnel development by applying the policy principles of rightsizing and proportional grows adjusted to the development of TNI units; 5) formation of reserve components for the land, sea and air dimensions that are adapted to the needs of the dimensions to strengthen the main components; 6) strengthening defense and security cooperation, especially with ASEAN countries and the South Pacific region; 7) strengthening defense in strategic strait areas by strengthening the coastal missile defense system and coastal surveillance system; 8) development of the national defense industry by increasing the promotion of cooperation and implementing counter-trade policies, local content and offsets to increase industrial capabilities; and 9) Development of defense areas that rely on large islands independently, by preparing reserves of food, water, energy and other national infrastructure facilities in order to create defense logistics centers spread throughout the Republic of Indonesia.

However, during the ongoing pandemic, Ministries and Institutions are encouraged to refocus their budgets to support the National Economic Recovery (PEN) program. This also applies to the institutions of the Ministry of Defense/TNI and the National Police which received a large budget allocation after the Ministry of PUPR. Refocusing is carried out for expenditures that can be reduced apart from personnel expenditures and operational goods expenditures that should not be reallocated because they are priorities (Suyitro, 2020).

For the Ministry of Defense/TNI institutions, an operational budget of Rp. 65.788 billion can be secured for the needs of teaching professionals at the Defense University (IDU), KKIP, as well as active operations, education and training of soldiers. Then, the items whose budget was reallocated came from non-operational non-national priority (PN) expenditures with a value of Rp 23.157 billion. These potential savings include meeting packages, business trips, office building renovations, and equipment and machine purchases including the procurement of official cars.

Changes in the Composition of the Defense Budget of the Directorate General of Pothan

The Central Government through the Ministry of Finance conducts Budget Refocusing for Ministries/Institutions that have a Large Budget, the Ministry of Defense is one of the Ministries that has a large budget so that it is affected by Budget Refocusing. cuts that will be used for the National Economic Recovery (PEN) program (Yusgiantoro, 2014).

As a result of this policy, the Defense Budget of the Directorate General of Pothan FY 2021 also changed. The Defense Budget of the Directorate General of Pothan FY2021 according to the DIPA ceiling gets a budget of Rp. 234,3775,532,000,- The budget is in accordance with the Budget Work Program of the Directorate General of Pothan that has been planned. As we know the Directorate General of Defense Potential is the Directorate General which has many activities as an icon for the Ministry of Defense such as Veterinary activities, State Defense, Reserve Components and the Defense Industry, all of these are National Priority activities all of these activities have been included in the Budget Work Program of the Directorate General of Pothan FY 2021.

The existence of this has resulted in the Budget of the Directorate General of Pothan undergoing a change in its composition which affects the activities that have been prepared and planned and also includes the National Priority Activity Program experiencing a budget shift so that it cannot continue these activities, including the Program for the Dissemination of State Defense Cadres in various regions, Activities to advance the Defense Industry, including activities that already have contracts with outside parties so that there is a need for addendums to contracts and adjustments to ongoing activities as well as other activities related to the wider community but not the National Scale Activity Program (Grediani, 2020).

The refocusing of the Directorate General of Pothan's budget used for National Economic Recovery (PEN) is an activity of the Supporting Components of Health Workers (Komdukkes) which is the role of the Ministry of Defense in the Acceleration of Handling Covid-19 which has not ended until now. To support Komdukkes activities, this was taken from Refocusing The Budget of the Directorate General of Pothan so that it changes the Composition of the Budget of the Directorate General that has been prepared and previously planned from the Work Program and Budget for the FY 2021. Activities to support Komdukkes activities are not small and through several stages of refocusing the Defense

Budget of the Directorate General of Pothan from May to September 2021, more or less greatly affects the Activities and Work Programs and the Composition of the Budget Composition of the Directorate General of Pothan FY. 2021 because at that time there were also many activities being carried out. ongoing so that it cannot be continued or stop its activities due to the Budget Refocusing of the Directorate General of Pothan.

4. Conclusion

The impact of the Covid-19 pandemic, which is still not over, has resulted in the Government having to refocus the budget, especially the Ministries/Institutions that have a large enough portion of the budget so that it is allocated to help people affected by Covid-19 through the National Economic Recovery (PEN) program. The Expenditure Budget carried out by Refocusing is Capital Expenditure, Non-Operational Expenditure, Meeting Package Expenditure and Official Travel Expenditure (Astuti, 2020). As a result of the impact of the refocusing, the composition of the Directorate General of Pothan's Budget for FY2021 underwent many changes which resulted in activities that became the National Priority Scale not running or stopped, not only that activities that were not on a national scale but had benefits for the wider community were also affected by the refocusing that was carried out on a national scale. occurs in several stages starting from May to September 2021. which results in ongoing activities or Work Programs not continuing and stopping.

The Health Workforce Supporting Component Activities (Komdukkes) are activities that are part of the Ministry of Defense's participation in the Acceleration of Handling the Covid-19 Pandemic, which is still not over. The budget required for Komdukkes activities is not small and must be supported by a large budget, resulting in the Directorate General of Defense Potential Budget changing its Budget Composition. This is because to support the Health Personnel Supporting Component Budget (Komdukkes) which is quite large, resulting in a change in the composition of the Defense Budget of the Directorate General of Pothan so that it also has an impact on the FY2021 Work Program and Budget which has been compiled and stipulated in the DIPA Ceiling. Many activities, especially those on a national scale, do not continue and stop and there are also activities that have been contracted to undergo budget changes and adjustments.

There needs to be thought to be able to overcome this so that in the future if an extraordinary thing occurs such as the Covid-19 Pandemic, the activities that

have been prepared and planned run smoothly, namely by means of each Ministry/Agency there is a Special Fund prepared in each Ministry/Agency. These funds can be used in special cases like today.

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