

The Soldiers Welfare: The Military Keynesianism Perspective for The Indonesian Armed Forces's Professionalism

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Abstract

Building professional soldiers into the wishes and commitments of many countries, this is due to the strengthening of threats that are not only traditional threats, but also non-traditional threats. This situation confirms that the presence of professional soldiers will ensure the sovereignty of the state, because the military institution can focus on its duties and functions on the defense of the country. In this context, the Indonesian Armed Forces (Tentara Nasional Indonesia—TNI) is also faced with situations that place TNI institutions to become professionals, relying on democratic civilian government through the defense ministry with an emphasis on improving the welfare of soldiers simultaneously with efforts to modernize Indonesia's defense system. Because the Military-Keynesianism approach believes that improving the welfare of the army is part of the consequences of increasing defense budgets. The paper argues that the increase in defense budget will be correlated with the welfare of the army, although the policy is not directly for the welfare of the army. The article also argues that the increase in the defense budget should improve the TNI foundation as an ideal institution by emphasizing the welfare of soldiers.

Keywords: Military, Keynesianism, Soldier, Welfare, Professionalism

1. Introduction

Heidi Garret-Paltier is question in his article “Is Military Keynesianism a Solution?” related to the US government plan to send 10,000 soldiers to Afghanistan last 2010, is an interesting subject.ⁱ Military Keynesianism perspective is based on a concept that the increase of military budget may also support the country's economic growth. In a connotative meaning, Keynes stressed that, war is good for economy of the state.ⁱⁱ However, this article is stressed on how the increase of military budget could support the economic growth of a country. The increase of military budget, in a narrow perspective, may also increase the welfare of the soldier. Although the concept needs more study, there is an assumption that the increase of military budget will also increase the welfare of soldier.

The soldier welfare is an issue in most countries related to professional military organization and management. Building a professional military organization should be based on welfare of soldiers. Potential threat against professionalism in military still haunts when soldiers are not in a welfare situation. In this context, Indonesia Armed Forces (TNI) relies on the ruling civil administration to ensure professionalism of TNI soldiers. As an institution in an emerging democratic country, Indonesia Armed Forces through Ministry of Defense encourage welfare of soldiers as priority, side by side with modernization of Indonesia defense system.ⁱⁱⁱ

Steps to increase Indonesia defense budget are based on State budget system, not on State needs to strengthen and modernize military posture.^{iv} Limited state budget to support defense budget us the main key why defense budget is not in line with hopes of TNI.^v The condition has made TNI steps to be professional soldiers are difficult. The welfare of soldier has made professionalism as intermediary objective.^{vi}

The paper argued that the increase of defense budget will correlate with the welfare of soldiers, despite of the policy is not directly for the welfare of soldier. This article also argued that the increase of defense budget should improve the foundation of TNI as ideal institution with stressing on the welfare of soldier.

2. Military Keynesian and the Management of Military Organization

One of the most important issue in the management of a military organization was on how military is no longer

conducted non-defense activities, which could turn military organization as an unprofessional organization. Timothy Edmund in his book stated that, democratic government should ensure professionalism of military organization grow along with public and soldier's economic and political issue.^{vii} Related to soldier's economic activity, Edmunds underlined democratic government's responsibility to ensure the welfare of soldier when soldiers are not allowed or prohibited to conduct economic activity.^{viii}

The problem was then on the spirit of "Back to Barack" for military organization and focus only on state defense, was not followed by the readiness of supporting infrastructures, at least readiness to support military budget.^{ix} In this context, it had to be admitted that, for the last 16 years of defense reform, TNI has faced similar situation experienced by most emerging democratic countries. So far, acrobatic steps taken by TNI are based on the need of economical access in order to support defense need due to insufficient defense budget.^x

The impact of the situation above is on the welfare issue of soldiers. It has to be admitted that the welfare of soldiers during New Order era is supported by business activities conducted by TNI, managed by foundations, cooperative, or company. The economic activities made welfare of soldiers become sufficient but also become problem for the country and the TNI as an institution to ensure the welfare when the government decided to reduce the economic activity as stipulated in Law of Indonesia Armed Forces.^{xi}

The formula related to the problem, Keynes, a British economist, stated that in order to keep competitive state budget is to conduct military spending as trigger for economic activity, in general, military spending should be increased through defense budget which also increase the welfare of soldier.^{xii} The argument is based on three aspects related to the increase of defense budget: **first**, the raise of soldier's competency related to the use and mastering of new weapon system as part of modernization of military spending.

Second, military spending will also correlate to the welfare of soldier. The welfare is consequently part of competency leveling of soldiers. In this context, the stressing point of Military Keynesianism is to find the melting pot between Keynes argument and military spending as part of economic growth to increase welfare of soldiers.

Third, military spending will increase defense infrastructure which also will meet the need of each military unit and organization. The situation may force soldiers to prepare themselves and adjust the improvement of defense infrastructure as part of increase of military spending of a country.

However, how the formula of Military Keynesianism is implemented actually? There are three differences on the explanation about the theory:

The first difference in the use of military spending as "premier pump" and efforts to have long term multiplier effect with the spending. A government may choose to approve the direct purchase of fighter plane, warship or other warfare commodities, or, approve the purchase of fighter plane, warship or other warfare commodities on certain business cycle. Major armed forces system requires long term plan and research, so most capitalist countries prefer to purchase military warfare based on a long term macro-economic plan and regulation rather than buying military weapons for short term.

The second difference was on primary and secondary form on Military Keynesianism. In both cases, state used multiplier mechanism to increase aggregate demand in community. The main form of Military Keynesianism refers on situation where country used military budget to encourage business cycle, internally or in general. The secondary form of Military Keynesianism is on the allocation provided for additional demand, but not as far as full economy, or enforced by military allocation. Therefore, business activity related to military allocation will encourage other economic activity.

The third difference is started on the view that modern capitalist economy is not suitable as a closed system as it relied on foreign trade and export as outlet for sales of state advantage. This view also applies on surplus in military sector. There are many export data on weapons describing on how capitalist countries actively ensure import access on their trade counterpart for a multiplier effect. Therefore, there is a need to differentiate domestic and external of Military Keynesianism.

Based on three differences in Military Keynesianism, there are prerequisites to ensure military spending stressed by Keynes supported economic growth of a country. They are: **first**, State using Military Keynesianism is state with surplus economic saving, where it could be used when economic stimulus and growth did not run well. It means Military Keynesianism can only be implemented by states with good finance condition.

Second, Military Keynesianism also requires democratic civil government free of corruption, collusion and nepotism with authority to design military spending policy. This is needed to ensure the same practice also implemented in the military institution.

Third, military spending should also be based on democratic civil administration and defense economic strengthening. So far, it could be implemented by ability of strategic industry to have export and import access. The import facility should be based on technology transfer in order to develop and ensure the continuity of defense industry.

Fourth, strategic partner to ensure the market of weapon system and strategic industry products. If it cannot be implemented, defense spending will only focus on developing short term defense structure only. Contextually, there will be no economic growth as expected without strategic partner. The government should have long term scheme for as part of strategic defense plan.

3. The Soldiers Welfare and Indonesia's Military Professionalism

Based on Military Keynesianism approach, the assumption of professionalism and military spending will accelerate the welfare of soldiers. For the last fifteen years, security sector reform especially in defense reform has not yet solves issue on welfare of soldiers, while other problems emerged when shaping professionalism of TNI.^{xiii} Debates on welfare of soldiers were halted on government efforts to meet escalating soldiers need on basis of democratic administration where government should meet the welfare of soldiers. This is important to ensure efforts and steps taken on welfare of soldiers should be based on good security institution practice.^{xiv} If it is implemented, efforts to improve welfare of soldiers through professionalism of TNI are good to be done.^{xv}

Table 1. Indonesia Defense Budget 2005-2016

No	Year	GDP [in trillions]	Projects (DIPA) [in trillions]	% GDP
1	2005	Rp. 2.190	Rp. 23,1	1,05 %
2	2006	Rp. 3.040	Rp. 28,2	0,93 %
3	2007	Rp. 3.531	Rp. 32,6	0,92 %
4	2008	Rp. 4.306	Rp. 33,0	0,85 %
5	2009	Rp. 5.327	Rp. 33,7	0,63 %
6	2010	Rp. 6.254	Rp. 52,3	0,84 %
7	2011	Rp. 7.227	Rp. 58,2	0,81 %
8	2012	Rp. 8.120	Rp. 74,1	0,91 %
9	2013	Rp. 9.420	Rp. 92,1	0,97 %
10	2014	Rp.10.351	Rp. 92,2	0,89 %
11	2015	Rp.11.185	Rp.108,6	0,97 %
12	2016	Rp.12.371	Rp. 99,5	0,80 %

Source: Ditjen Renhan Kemhan on Seminar of National Aviation 2016

It has to be admitted that Indonesia defense budget increase annually, unless in 2016 which was lower than previous year (see table 1). However, the increase of defense budget has not yet provided significant welfare. The policy of 'performance based remuneration' has changed orientation of TNI personnel to routine activity without focusing the priority and urgency of the activities in supporting role and function of the TNI.^{xvi} Actually, the remuneration scheme has not yet stimulated the welfare of soldiers. There should be stimulated steps for effective program of welfare of soldiers.^{xvii}

The situation shows the increase of defense budget has not yet stimulated the improvement of welfare of soldier. Based on Military Keynesianism, there are four notes why the increase of defense budget did not stimulate welfare of soldiers: *first*, government has stated on limited budget state. The limited state budget affected the development and modernization of defense posture. It is not strange then although the GDP increases annually, the defense budget seemed not change. Defense budget may rise annually but still under 1% of the GDP, where the normal military budget should be 2% of the GDP.^{xviii}

Second, the development of defense posture is not in ideal scheme. It is based on limited budget and perception of threat against State. The development of minimum essential force (MEF) concept showed that Indonesia as a big country faced problem in developing defense posture. Minister of Defense has issued a reliable Minimum Essential Force policy for 2010 – 2029.^{xix} The word "Force" is focused on weapon system of TNI including the personnel and supports from Army, Navy and Air Forces. There is no specific policy on the actual minimum forces. Each country has different approach in calculating minimum force based on state ability. However, limited State budget is the real dominant factor in developing ideal force of TNI.^{xx}

Third, Indonesia defense industry is not yet an independent manufacturer.^{xxi} One of Military Keynesianism factor on military spending and defense budget is that strategic industry is managed by government to meet the need of weapon system and also for export. If that requirement is not ready, the increase of defense budget will not provide positive and significant welfare of soldiers.^{xxii}

Fourth, the plan to modernize defense posture is not based on the use of available strategic industry at home. It is solely because the defense industry is not ready to meet the need for weapon system. So, the policy is to import weapon system which often not followed by technology transfer caused by the condition of available strategic industry.^{xxiii}

The focus on the increase of military and defense spending will increase the welfare of soldier should be based on the defense development and modernization plan including perception of existing threat against state. Buzan stated that it will stimulate focus of a State in developing defense posture and strategy.^{xxiv} State's perception over current existing threats will encourage government to take affirmative action. The current example is on Chinese fishermen activities in Natuna Sea that may trigger inter-states hostility.^{xxv}

Besides that, the MEF policy should also be stimulated by developing new integrated approach based on immediate requirements.^{xxvi} Those steps may become basis to strengthen the development of Indonesia defense posture in order to strengthen the integrated State vision. So far, it is applicable and Military Keynesianism in Indonesia may reach the goal to make TNI professional soldiers.

Other steps related to Military Keynesianism are to ensure strategic and defense industry is operated independently. The easiest indicator is, strategic industries operates and also could export to meet foreign demand. Another indicator is the industry stimulates technology transfer for development. The stress on independent manufacturing process is that the industry should not always rely to State budget support.

4. Conclusion

Military Keynesianism approach in increasing welfare of soldiers is just on the basis of increase of defense budget only. The positive impact of the raise of defense budget in State budget is that welfare of soldier is adjusted to the limited state budget. Even though there is an increase in defense budget, the increase of welfare of soldier is limited and adjusted to the State budget. It also indicates that the raise of defense budget should improve TNI foundation as professional institution by increasing the welfare of soldiers, so that the institution and personnel shall focus on concrete State interests, rather than other non-military activities.

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