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# ECONOMIC RESILIENCE IN ASYMMETRIC WARFARE

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#### Article Info

## Abstract

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Economic Resilience is a dynamic condition of the nation's

economic life that contains tenacity and resilience that contains

the ability to develop national strength in facing and overcoming

all threats, obstacles, disturbances, obstacles, and challenges originating from abroad and from within the country. Asymmetric war is a war that involves two or more actors through a broad battlefield that includes *Trigatra* (geography,

demography, and natural resources) and *Pancagatra* (ideology, political economy, socio-culture, and defense and security). The

purpose of the research is to provide government input on the

importance of economic resilience in the face of asymmetric

war. This study uses the Strategy Theory written by Clausewitz

which views several things related to the elements of war, namely Means, Way, and End. Research with qualitative methods is aimed at understanding social phenomena from the participant's perspective. The result of this study is economic resilience needs strengthening in the digital economy, digital

bureaucracy and banking strengthening

#### **INTRODUCTION**

The influence of global technological developments led to the industrial revolution and social revolution. This social revolution has an impact on the military revolution and also on the generation of war revolutions which include trade competition between the United States and China, Middle East Arab Springs, the seizure of the Asia Pacific region, the South China Sea, terrorism, climate change, and Chemical, Biological, Radiological, Nuclear, and Explosives (CBRNE) and the COVID-19 pandemic.

There are various opinions regarding asymmetric warfare, including Asymmetric warfare is a fight in which the two combatants have disparities in their primary resources and struggles, ways of interacting, and efforts to exploit each other's characteristics the weaknesses the opponent. These struggles are often related to unconventional war strategies and tactics. The weaker party (inferior) seeks to use a strategy to compensate for the deficiency in terms of quality or quantity.

Another definition according to the version of Australia's Department of Defense, Asymmetric Warfare is Conflict always involves one party seeking an asymmetrical advantage over the other party using sudden enlargement, Use of new technologies, or operating procedures in a novel way. To avoid hostile forces and maximize their advantage, the asymmetrical side is sought by utilizing unconventional special. and regular. personnel. The drive for asymmetric superiority underpins all modern combat. Asymmetry arises when it is known that there is a difference in the ratio between two things. From a military perspective, it can be defined as differences in objectives, troop composition, culture, technology, and numbers (Lyon, 2008).

The goal of asymmetric warfare is to win every battle. To achieve this victory it is necessary to know changes in geography, distance, cost, power, opportunity, and victory (Clausewitz, 1976). The goal of asymmetric warfare is to defeat the main enemy forces faced as superior and inferior exploiting the advantages by of symmetrical imbalance. Meanwhile, According to the U.S. Army War College, asymmetric warfare highlights the disparities in the resources of the two opposing parties, how to interact, and efforts exploit to each opponent's weaknesses.

If classical colonialism used military force to paralyze the target country that was colonized, then neo-colonialism made the target country dependent on foreign debts and capital. If the target country is not able to pay off the debt given to them, then the consequence is that the country must follow foreign wishes to replace a pro-people economic system with a neoliberal economic system.

In several studies, this new style of warfare is called asymmetric warfare. This asymmetrical war does not cause the smell of gunpowder, does not involve guns, but the impact is also terrible. This is what is more than asymmetrical warfare, requiring funds that are not so much but effective in achieving the goal.

The aim of non-military combat is not just one aspect, but several, which can be carried out at the same time or different intensities. In asymmetrical combat, the common targets are three:

- 1. To sway a country's system in favor of colonialism's interests.
- 2. Weaken the people's mindsets and weaken their ideologies.
- 3. Destroying food security and energy security (guaranteeing its energy supply), then creating dependence on the target country on these two things (Albert, Jeong, & Barabási, 1999).

High economic growth, as well as one that is sustainable, is required to improve welfare. Long-term economic development is intended to result in fundamental structural changes that spur economic growth. According to Lewis, development can be defined as a transition or change from traditional to modern patterns of production and economic behavior (Chenery, 1980). The government can carry out fiscal expansion to increase the rate of national economic growth. Increasing the rate of economic growth means increasing national income, which in turn allows for an increase in people's per capita income if the population does not increase higher (Saputro, Tarigan, & Rajab, 2021).

Observed that economic growth can be achieved through the formation and increase of agricultural surpluses, strengthening of the exchange rate, and increased savings as a result of transitions in production and economic behavior). According to Lewis' Dual Economy theory, the shift from traditional to modern economic behavior is due to variations in production processes.

As a result, it's worth digging deeper into the identification of many elements that influence it, including the government's According participation. to the Neoclassical economic growth hypothesis. The government's role has little impact on growth, both in terms of spending and taxes (Kneller, Bleaney, & Gemmell, 1999). Economic resilience is a dynamic state of the nation's economic life that includes tenacity and resilience, as well as the ability to develop national strength in facing and overcoming all threats. obstacles, disturbances, obstacles, and challenges originating from abroad and within the country, either directly or indirectly, to ensure the survival of the nation's economy and the state of the Republic of Indonesia, as defined by Pancasila and the 1945 Constitution.

National resilience in the economic field can be seen in various conditions of the nation's economic life that can maintain its economic independence. In economic resilience, the economic aspect is closely related to the fulfillment of consumption needs which include the production, distribution, and consumption of goods and services to achieve efforts to improve the standard of living of the community individually and in groups. The realization of national economic resilience can be done through several sectors such as the oil and gas sector, agriculture, industry, marine, tourism, and other sectors. From the background that has described above, the research of questions this study are what are the constraints of economic conditions to asymmetric warfare? face how do economic strategies deal with asymmetric warfare? Based on those questions, this study aims to provide government input on the importance of economic resilience in facing asymmetric war.

## **METHODS**

Descriptive qualitative research aims to provide an overview of a specific group of people or to describe a symptom or the link between two or more symptoms. In this study, interviews and documentation were used to obtain data. Denzin specifies four types of triangulation as a method for verifying the authenticity of data which are employs sources, techniques, investigators, and theory (Moleong, 2018). In this study, data analysis is accomplished through: 1) data reduction, which entails summarizing, sorting out the important data, then systematically focusing and organizing the data, 2) data display, which entails presenting certain data in the form of matrices, graphs, charts, or networks as needed, and 3) data verification, which entails searching for patterns, themes, and comparison equations before concluding.

Carl Von Clausewitz's theory of strategy is used in this study. This theory examines Napoleon Bonaparte's battle strategies and war experience, sees numerous aspects connected to the elements of Means, Ways, and Ends of war, as follows:

- 1. Emphasizes the need of concentrating power (Means) at the battle's decisive point.
- 2. Sudden value or surprise in Ways (strategy) against the enemy.
- 3. Use of Means (Resources), namely massive and aggressive power.

# **RESULT AND DISCUSSION**

National resilience in the economic field can be seen in various conditions of the nation's economic life that can maintain its economic independence. In economic resilience, the economic aspect is closely related to the fulfillment of consumption needs which include the production, distribution, and consumption of goods and services to achieve efforts to improve the standard of living of the community individually and in groups (Marlinah, 2017).

This analysis of the internal and external environment then produces internal and external strategic sub-factors that affect the results of the strategy for the direction of development and development of the digital economy. Apart from that, other things are supporting analysis to sharpen the factors and results of alternative strategies, namely identification of current social actual conditions, value chain and supply chain maps, and current potential sector transactions (Zauner, 2008).

It is thought that uniform items with good qualities and a fragmented market requiring electronic coordination contributed to the emergence of the electronic public market (Kaplan & Sawhney, 2000). The national economy is organized around the ideas of economic democracy, including togetherness. efficiency with fairness, sustainability, environmental awareness, independence, and maintaining a balance between progress and economic unity. Resilience in the field of Economics National economic resilience is a concept related to many dimensions, including economic 1) stability, 2) the level of economic integrity, 3) resilience of the economic system against shocks from outside the economic system, 4) margin of safety from the poverty line and level of economic growth, 5) Competitive advantage of national economic products, 6) Economic stability in terms of the size of the national economy, and 7) The level of integrity of the national economy with the global economy.

The National Research Council, for instance, defines asymmetric war as a developed conventional conflict with an unconventional way of thinking. It is because battle encompasses Astagatra (eight facets of existence), including Trigatra and Pancagatra, it has a large scope. The economic model of neoliberalism is the seed or seeds of the implementation of the Asymmetric War. This is the second model of Asymmetric War as discussed above, in addition to the Mass Movement as the first model. Neoliberalism is an economic system that is built on three principles, namely 1) the development of individual freedom to compete freely and completely in the market, 2) the recognition of private ownership of the factors of production, and 3) the formulation of market pricing are the three major goals of a liberal economy. is not a natural phenomenon, but rather the outcome of government-sanctioned market management (Giersch, 1968).

Referring to Giersch's three principles above, that the role of the state in neoliberalism is limited to only regulating and guarding the workings of market mechanisms, the role of the state is emphasized in four things, including 1) implementation of austere budget measures, including the reduction of subsidies, 2) financial sector reform. 3) trade liberalization, and 4) privatization of stateowned enterprises (Stiglitz, 2002). The economic sector cannot be separated from other interrelated factors. Natural resources. human resources, societal ideas, which are commonly referred to as ideology, and the amassing of authority, power, and wisdom be employed in production to and distribution activities are all factors that influence the economy. The integration of all components of military expenditure synergistically can increase security stability. The components of spending that have a partially significant positive effect on security stability are expenditures on goods and capital expenditures (Saputro, Mahroza, & Tarigan, 2020).

An asymmetric war is a war that involves two or more actors through a broad battlefield that includes geography, demography, natural resources, ideology, political economy, socio-culture, and defense and security, so it is necessary to discuss three important criteria, namely the digital economy, digital bureaucracy, and banking strengthening.

1. The digital economy

Carl Von Clausewitz's Theory of Strategy, which examines Napoleon Bonaparte's battle strategies and war experience, looks at numerous aspects connected to the elements of Means, Ways, and Ends of warfare.

Various variants of the concept of security in a broad sense, currently there are increasingly diverse forms of warfare such as psychological warfare, economic warfare, and digital/cyber warfare, in which almost of all are asymmetrical. There are also various asymmetric tactics. The most interesting to observe is the Unrestricted Warfare or War without limits initiated (Liang & Xiangsui, 1999) to compensate for the imbalance of China's military power in front of the United States (U.S.) in a high-tech war.

development The rapid of information and communication technology has caused dramatic changes and influences on human life, entering the era of the industrial revolution 4.0. will affect the essence of human life experience. The industrial revolution was driven by rapid technological advances. Several types of technology such as the Internet of Things and Big Data & Advanced Analytic are widely used in various fields. Internet of Things is a network consisting of physical devices and software that allows these devices to exchange data, while Big Data is a storage place that can accommodate very large data loads with certain formats that can be changed (Mudholkar & Mudholkar, 2018).

Information is now available in digital format in the new economy. New worlds of possibilities emerge as information becomes digitized and is shared over digital networks. Massive amounts of data can be compressed or squeezed and sent at the speed of light. Information quality can be far superior to analog transmission. Information from all around the world may be merged, and information can be saved and retrieved immediately, enabling rapid access to a wealth of data collected by human civilization. New digital technologies can be tailored to meet specific needs and have an impact on almost every element of business and personal life.

The development of the digital economy in Indonesia has been very

fast. In terms of infrastructure, Indonesia has built infrastructure so that it can be used evenly throughout Indonesia. The construction of the Palapa Ring, Base Transceiver Station, providing internet access aims to provide services to the community and regions, especially in the Frontier, Outermost, Disadvantaged areas. E-commerce is a way of buying and offering or trading an item, administering, and processing data online via the internet (Deshmukh, 2019). Meanwhile, according to (Leong & Sung, 2018), fintech is a combination of financial disciplines, technology, management, and innovation that can improve financial services using technology.

# 2. Digital bureaucracy

A country's bureaucracy is a critical component. The essence of bureaucratic performance is tied to serving the community's wants and desires. The digital bureaucracy provides chances to increase bureaucratic performance while also allowing the public to contribute to the greatest extent possible. The Indonesian people, on the other hand, appear to be unprepared to participate fully in the digital bureaucracy.

Bureaucracy is the engine that propels а state system forward (Setiyono, 2016). The existence of a bureaucracy is very important for a country. Its essence is as an instrument of the state to ensure the fulfillment of the needs and rights of the community, which is an element of the establishment of a state. This is in line with what Hegel said about bureaucracy. According to him, the bureaucracy is a bridge that connects the state and its people (Yusriadi, 2018).

The existence of a digital bureaucracy is followed by hopes for the efficiency and effectiveness of bureaucratic work, including in providing services to the community (Setiyono, 2016). The digital bureaucracy allows the development of a transparent system and accountability to the public through the disclosure of various information related to the bureaucracy ranging from performance reports, budget reports, services, providing space for providing feedback by the public on the performance of services provided by the bureaucracy, and so on, so that later it is hoped that it will be able to keep the bureaucracy away from the problems previously mentioned (Indriyani, 2020).

Automatically this digital bureaucracy can be said to be successful when it gets support and participation from the community. Considering that the spirit of smart governance (one of which is a digital-based bureaucracy) lies in concrete community participation in it (Nento, Nugroho, & Selo, 2017). The implementation of e-government or online government shows that there is a digitalization step in the bureaucracy which is then known as digital government or digital bureaucracy (McClure, 2000). E-government is the provision of information and public services for the community using the and global networks internet or websites.

Theoretically, the concept of egovernment can be understood as an effort or effort made by the government to have better performance and build better relations between the government, the community, and the private sector (by the principles of good governance) to foster a system that is more efficient, effective, responsive, transparent, and accountable (Rahman & Tarigan, 2020). Usually, e-government in its realization is realized in various forms of software or web-based with various names and functions (for example in Indonesia, are e-billing, e-performance, there procurement). By implementing this, traditional bureaucracies which tend to be associated with slow performance, low productivity, and convoluted, can be transformed into flexible and high productivity (Setiyono, 2016).

E-government is implemented in several types, including 1) Government to Citizen, which is related to the relationship between the government and the community, usually includes basic services providing and disseminating information to the public, 2) Government to Business, which relating to government relations and the business community, usually related to business licensing, corporate taxes, policies on business, and so on, 3) Government to Employee includes special services that only cover government employees such as those related to the development of Apparatus Resources and 4) Government to includes Government transactions between top-level governments with the government under it, such as the central with government the provincial government or also with the government of other countries.

The digital bureaucracy that develops in the government system in Indonesia has a definite goal to improve the performance of its apparatus and provide better services to the community. Some of the benefits of implementing egovernment, among others, are 1. allowing citizens to participate in decision-making, 2. significant cost savings for the government and society, 3. increasing transparency, 4. reducing the level of corruption activity, 5. improving services and community satisfaction, 6. the availability of sustainable services saves time in responding to the public and reducing error rates (Kumar, Mukerji, & Butt, 2007).

3. Banking strengthening

What is meant by a bank, according to Law No. 7 of 1992 concerning Banking, as amended by Law No. 10, 1998, is a business entity that collects funds from the public in the form of savings and distributes them to the public in the form of credit and or other forms to improve the standard of living of the general public. With this understanding, it can be concluded that the bank is an institution that connects the community that owns funds with other people who need funds to develop their business.

The financial system plays a critical role in facilitating economic activity. The financial system, which is part of the economic system, acts as an intermediary, allocating cash from parties with excess funds (surplus) to those with a shortage of funds (deficit). As a result, a stable and efficient financial system is essential to carry out its intermediation function optimally. A financial system that is unstable and inefficient is extremely prone to different changes that might interrupt the economic cycle. Because financial system stability is such a crucial component of building and maintaining a sustainable economy, it must be continually enhanced and maintained.

Efficiency for a bank or the banking industry as a whole is the most important aspect to be considered to realize a healthy and sustainable financial performance. The efficiency of the banking industry can be viewed from both a micro and a macro perspective. From a micro perspective, in an increasingly competitive environment, a bank to survive and develop must be efficient in its operations. Inefficient banks are likely to exit the market because they are unable to compete with their competitors, both in terms of pricing and in terms of product and service quality. Banks that are not efficient will find it difficult to maintain the loyalty of their customers and are also not attractive to potential customers to enlarge their customer base.

Meanwhile, an efficient banking industry might affect financial intermediation costs and overall financial system stability from a macro perspective. This is owing to the banking industry's critical function as a financial services middleman and producer. Banking performance will improve as a result of increased efficiency in allocating financial resources, which will, in turn, promote investment activity and economic growth.

Farrell (1957) discovered that a company's efficiency is made up of two parts: technical efficiency and allocative efficiency. Technical efficiency refers to a company's capacity to optimize output while working with a limited amount of inputs. Meanwhile, with its price structure and production technologies, the company's ability to optimize the utilization of available inputs is reflected in allocative efficiency. Economic efficiency can be measured using a combination of these two metrics.

One of the components of overall economic efficiency is technical corporation efficiency. А must, nevertheless, be technically efficient to achieve economic efficiency. А corporation must be able to create at the optimal level of output with a specific number of inputs (technical efficiency) and produce output with the proper mix at a certain price level to reach the maximum level of profit (McClure, 2000). The ratio of output and input ratios for all units compared in a population is calculated using a linear programming model in a non-parametric frontier method for measuring banking efficiency. When all of these units are at or below their frontier efficient curve, the goal is to quantify the efficiency level of decision-making units in comparison to similar banks.

### CONCLUSIONS, RECOMMENDATIONS AND LIMITATION

Based on the results of research on economic resilience in strategic warfare using the strategic theory written by Clausewitz who views several things related to the elements of war, namely Means, Way, and End, it can be concluded that economic resilience needs strengthening in the digital economy, digital bureaucracy, banking and strengthening. The digital economy can support economic growth, increase competitiveness and productivity, and realize mutually beneficial economic cooperation and trade in the long term. Digital bureaucracies can advance the Knowledge Ecosystem and Innovation can be realized, one of which is by improving government business processes through government digital transformation.

Information technology adoption at all levels of government can help to meet the difficulties of increasing the quality of institutions, governance, and public services. The financial system plays a critical role in facilitating economic activity. The financial system, which is part of the economic system, acts as an intermediary, allocating cash from parties with excess funds (surplus) to those with a shortage of funds (deficit). As a result, a stable and efficient financial system is essential to carry out its intermediation function optimally. The most crucial factor to consider to achieve a healthy and sustainable financial performance for a bank or the banking industry as a whole is efficiency.

It is hoped that it can provide government input on the importance of economic resilience in the face of asymmetric wars, so it is recommended that the government pays attention to increasing strengthening in the digital economy, bureaucracy, banking digital and strengthening. This research has been attempted and carried out following scientific procedures, but it still has limitations, namely limitations in the use of more relevant strategic theory development that can be used in further research.

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