

Strengthening Indonesian National Military-Land Force (TNI AD) Kartika's Cooperative Economy For The Welfare of Members

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Abstract. Cooperatives are one of the most important pillars of the economy and have been proven to support the national economy. This type of research is Normative research. The approaches used are a statutory approach and a conceptual approach. The data source used is secondary data. Data analysis was carried out descriptively and qualitatively. Concluding was carried out using a deductive method, namely concluding from general to specific, especially those related to the research topic. This research resulted in the finding that the Kartika TNI AD Cooperative is a form of legal entity that has long been known in Indonesia. The pioneer of cooperative development was Bung Hatta, and until now he is well known as the father of Indonesian cooperatives. In its journey, cooperatives, which are very in line with the soul of the Indonesian nation, have not been encouraging in their development. Cooperatives, which are considered to be the biological offspring and backbone of the people's economy, are experiencing decline, even though the government has struggled hard to revive and empower cooperatives in society. In carrying out its activities, savings and loan cooperatives collect a certain amount of money from each member of the cooperative. The money collected by the members is then used as capital to be managed by the cooperative management and lent back to members who need it.

Keywords: Economic Strengthening, Kartika TNI AD Cooperative, Member Welfare

1 Introduction

The Indonesian Army, especially as a large organization, has the same interest in the welfare of its members, so the leadership's policy was to establish a cooperative organization outside the structural organization to accommodate these interests. The formation is Inkopad (Army Kartika Cooperative Parent), which oversees Puskop (Cooperative Center) Kotama, and at the bottom is Primkop (Primary Cooperative). The Indonesian Army's Primary Kartika Cooperative is required to always maintain consumer trust by improving the quality and quantity of services so that consumer satisfaction increases. Cooperative management needs to be careful

in determining the needs of consumers/members to fulfill and satisfy desires regarding service to members by the vision and mission [1].

The capital structure of cooperatives is one of the regulatory elements in Law Number 17 of 2012 concerning Cooperatives. The regulation of Cooperative capital structures in this Law is understood as a creative effort to encourage the use of various capital structure options, both from internal capital sources of members and external to the Cooperative, so that the Cooperative can guarantee the availability and stability of its capital. Microfinance institutions with cooperative legal entities are one of the institutions that can finance MSME business activities because financial institutions in the form of cooperatives can adapt to the rhythm and character inherent in micro, small, and medium enterprises, meaning that the approach is to develop microfinance institutions, especially in the form of cooperatives. Savings and Loans (KSP) is quite wise. Cooperatives are often referred to as pillars of the people's economic movement. Cooperatives are also the key to alleviating poverty and providing employment opportunities. The contribution of cooperatives to Indonesia's Gross Domestic Product (GDP) was 4.48% in 2017 in the third quarter. This figure has increased since 2019. The increase in the number of cooperatives which has reached 153,171 units as of December 2019, explains that the existence of the people's economic movement is increasing, thereby encouraging the Indonesian economy.[2].

The optimal capital structure is a capital structure that optimizes the balance between risk and return. For this reason, in determining the capital structure it is necessary to consider various variables that influence it. Capital structure is an important issue for cooperatives because whether the capital structure is good or bad will have a direct effect on the cooperative's financial position. The role of savings and loan cooperatives in supporting people-based businesses will be more optimal if they are supported by an integrated, sustainable planning system and supported by an adequate budget. To strengthen the position of savings and loan cooperatives, the availability of capital for savings and loan cooperative business actors is a must. Limited capital owned by savings and loan cooperatives is a structural obstacle to developing cooperative businesses.

Cooperatives are a form of business based on the principle of kinship because cooperatives express cooperation between their members as a family and create a shared responsibility. So in a cooperative, there are no employers and workers. Cooperatives are based on Pancasila and the 1945 Constitution and cooperatives have 2 principles, namely: the principle of kinship and the principle of cooperation. This means that for every member of the cooperative, there must be awareness to do the best or benevolent and useful things in every cooperative activity for all members in the cooperative. Cooperative business entities focus on the people's economic movement, namely a process of managing businesses independently and collaboratively by community groups. According to Article 33 of the 1945 Constitution, the definition of a people's economic system is a system to create community sovereignty in the economic field [3]. Therefore, cooperatives were founded on the principle of kinship in the national economic order so that it is hoped that it will be able to give birth to economic democracy. As the era progresses, cooperatives must be able to become pillars in various economic developments.

Among the cooperatives that are and continue to develop are TNI member cooperatives, including the Kartika Cooperative Center. Every TNI personnel is a cooperative member who joins the Parent Cooperative, namely the Army joins INKOPAD, the Air Force joins INKOPAU and the Navy joins INKOPAL. Law no. 34 of 2004 does not allow TNI members to be involved in business activities to own or establish companies. To overcome this problem, one of the government policies for TNI business activities is through cooperatives. If an absolute business

ban were imposed on the TNI, it would certainly weaken the TNI institutions and this could lead to social jealousy between civilians and the military. Cooperatives as a sharia financial institution are a choice for some people to carry out transactions by Islamic law. This is proven by data from the Financial Services Authority (OJK) which records that the increase is increasing every year. Assets are recorded from every transaction in sharia financial institutions in Indonesia [4].

A cooperative is an association of associations to do business together, consisting of those who are weak and always managed with a spirit of togetherness so that they do not think about their interests in such a way that each can carry out their obligations as members and receive compensation in proportion to their use of the organization. A Cooperative is a business association that is run and owned by individuals for the common benefit of obtaining benefits. Cooperatives are private organizations, which are formed willingly by people who have the same determination, goals, and interests in managing the interests of their members and realizing reciprocal benefits for cooperative members and cooperative companies. In carrying out its activities, cooperatives are based on the principles of the people's economic movement which is based on the principle of brotherhood or kinship. Hatta was the architect of Indonesian cooperatives. According to Mr. Indonesian Cooperatives, Mohammad Hatta, cooperatives are a joint effort to improve the fate of economic livelihoods based on the spirit of helping one for all and all for one [5].

The TNI AD Kartika Cooperative is a form of legal entity that has long been known in Indonesia. The pioneer of cooperative development was Bung Hatta, and until now he is well known as the father of Indonesian cooperatives. In its journey, cooperatives, which are very in line with the soul of the Indonesian nation, have not been encouraging in their development. Cooperatives, which are considered to be the biological offspring and backbone of the people's economy, are experiencing decline, even though the government has struggled hard to revive and empower cooperatives in society. In carrying out its activities, savings and loan cooperatives collect a certain amount of money from each member of the cooperative [6]. The money collected by the members is then used as capital to be managed by the cooperative management and lent back to members who need it.

The Kartika TNI AD Cooperative is certainly a tough task for the management, for example about the division of tasks and responsibilities, it is necessary to make adjustments in such a way that it does not conflict with the intended pattern of togetherness, namely that the delegation and distribution of tasks and responsibilities must not imply the position of one person leading to exclusive position. Cooperative administrators who must drive, lead, and manage the cooperative business, cooperative administrators are elected by and from the members. Cooperative at the Cooperative Member Meeting. The highest authority in a cooperative association is held by the Cooperative Member Meeting, and the person who has the right to appoint and dismiss the Cooperative Management is the Cooperative Member Meeting. Indeed, the Cooperative Management must lead, drive, and manage the cooperative business. However, every cooperative member is also obliged to actively help advance their cooperative business. Without being supported by the activities and active role of its members

A prosperous, peaceful, just, and prosperous social life is certainly highly desired by the government of any country in the world, including Indonesia. This situation will not be realized without continuity between several supporting and supporting factors. The supporting factors in realizing a safe and peaceful life are very diverse, including economic, social, political, and cultural factors. Meanwhile, the most important supporting factor in creating prosperity is the security factor [7]. The security factor is a determining factor in the success of implementing state development to realize the welfare of citizens. Broadly speaking, responsibility for a

country's security is held by the Indonesian National Army (TNI). The Indonesian National Army consists of the TNI AD, TNI AL, TNI AU, and POLRI whose capacities and proportions are by their respective fields and authorities. A safe and peaceful life not only influences social harmony but also leads to national defense and security. Military life and harmony between members and military institutions greatly influence the strength of the country's resilience and defense. Every member of the TNI is required to be free from personal actions that are disgraceful in the eyes of the military members themselves and especially in society[8].

2 Methodology

This type of research is Normative research. The approaches used are a statutory approach and a conceptual approach. The data source used is secondary data. Data analysis was carried out descriptively and qualitatively [9]. Concluding is carried out using a deductive method, namely concluding from general to specific, especially those related to the research topic, namely Strengthening the Economy of the Kartika TNI AD Cooperative in the Welfare of Members. Qualitative data analysis is carried out if the empirical data obtained is in the form of a collection of words and not in the form of a series of numbers and cannot be arranged into categories. Data can be collected in various ways (interview observations, document instances, and recording tapes). It is usually processed first before being used in qualitative research, including the results of interview transcripts, data reduction, analysis, data interpretation, and triangulation [10].

3 Results and Discussion

3.1 Implications of Strengthening the Economy of the Kartika TNI AD Cooperative for Member Welfare

The important role of TNI AD cooperatives, especially during times of economic turmoil, is that cooperative management has a role in advancing the welfare of members by increasing sales of goods and meeting the need for loan funds. Of the two things, it can improve the welfare of members, marked by fulfilling the needs that come from the cooperative, such as raw materials for food and daily needs. Until now, the Cooperative has carried out an organization in the form of a work program to improve the welfare of members of the Indonesian Army by providing food and dining needs, necessities, savings, and loan funds. So this activity was carried out to fulfill all the needs of TNI members and their families without having to leave the Kodam area. It's like not thinking about shopping by going to the supermarket or mini market because everything you need is provided. So that this program can improve the welfare of the community and its members thanks to the management work program [11].

If we look further and we all want to be honest, actually what is bad is not the institution or the cooperative, but the dissolution and breakdown of the cooperative caused by the people in it. For example, the management is irresponsible and is more concerned with managing the business rather than prioritizing the needs of the members, or members who do not care about the cooperative of which they are members. Members

do not want to pay their obligations, either in the form of deposits or repaying loans they have obtained from the cooperative. If the management and members don't care, how can the cooperative run? Cooperatives and the ideals they convey are quite good, the survival of cooperatives depends a lot on the determination of the people within them, both administrators and members, to develop a spirit of togetherness among themselves. One of the main things in cooperatives is our understanding of the cooperative. Views on cooperatives are largely influenced by the ability to understand this institution, namely cooperatives.

As a social economic institution, cooperatives are managed by economic principles, which in their activities take into account profits and losses. However, all of this is done to improve the welfare of its members and society as a whole. Calculation of profits and losses in cooperatives is indeed a necessity, but within certain and reasonable limits [4]. Without taking into account profit generation and business development. Apart from business development, the profits obtained are also returned to the members, either in the form of money or other services and conveniences, to improve collective welfare. In the definition of social in cooperatives, more emphasis is placed on the sense of togetherness among members, ease of obtaining services, and improvements. members' insights. Some people interpret the meaning of social as giving or distributing materials for free, so cooperative members are reluctant to pay their obligations or return their loans because they think that this is part of the social activity. This kind of understanding causes cooperative business activities to stall and disband.

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3.2 The Urgency of Strengthening the Economy of the Kartika TNI AD Cooperative for Member Welfare

Cooperatives are one of the most important pillars of the economy and have been proven to support the national economy. The role of cooperatives is especially important for lower-middle economic class communities. The existence of cooperatives is indeed a phenomenon in itself because its role cannot be replaced by other financial institutions. Many groups believe that cooperative institutions are very compatible with the culture and way of life of the Indonesian people because they contain values that live in Indonesian society, such as cooperation and several other moral essences. In general, cooperatives are managed and run simply without the help of information technology,

even though as financial institutions cooperatives should adopt developments in information technology to support their operations. The simplicity of cooperatives may be a good thing in the early stages of cooperative development, but as the cooperative itself develops, it is required to become more professional.

On the other hand, management also faces problems related to a limited understanding of the concept of good cooperative management. This limited understanding is related to two things, namely cooperative business development in general and tax aspects. Management does not have a variety of businesses other than savings and loan activities so cooperatives have difficulty developing, even for funding purposes cooperatives often experience a lack of funds because they only rely on funding from members [6]. On the other hand, there are many other funding opportunities with relatively small funding costs. Likewise, for the aspect of fund utilization, the management only relies on providing loans to members, even though there are many other opportunities to increase the use of the funds they have. In simple terms, it can be said that there is a big opportunity to obtain larger funds and there is also an opportunity to utilize these funds for profitable business activities, but this has not been explored properly by the cooperative management.

According to Mr. Indonesian Cooperative Mohammad Hatta, cooperatives are a joint effort to improve the fate of economic livelihoods based on the spirit of helping one for all and all for one. The Kartika TNI AD Cooperative is a form of legal entity that has long been known in Indonesia. The pioneer of cooperative development was Bung Hatta, and until now he is well known as the father of Indonesian cooperatives. In its journey, cooperatives, which are very in line with the soul of the Indonesian nation, have not been encouraging in their development. Cooperatives, which are considered to be the biological offspring and backbone of the people's economy, are experiencing decline, even though the government has struggled hard to revive and empower cooperatives in society. In carrying out its activities, savings and loan cooperatives collect a certain amount of money from each member of the cooperative. The money collected by the members is then used as capital to be managed by the cooperative management and lent back to members who need it. If we look further and we all want to be honest, actually what is bad is not the institution or the cooperative, but rather the dissolution and breakdown of the cooperative caused by the people in it[7]. For example, the management is irresponsible and is more concerned with managing the business rather than prioritizing the needs of the members, or members who do not care about the cooperative of which they are members. Members do not want to pay their obligations, either in the form of deposits or repaying loans they have obtained from the cooperative. If the management and members don't care, how can the cooperative run? Cooperatives and the ideals they convey are quite good, the survival of cooperatives depends a lot on the determination of the people within them, both administrators and members, to develop a spirit of togetherness among themselves. One of the main things in cooperatives is our understanding of the cooperative. Views on cooperatives are largely influenced by the ability to understand this institution, namely cooperatives.

The TNI AD Kartika Cooperative is one of the tools for the economic struggle of society in Indonesia, which is an economic movement to improve the welfare of its members and aims to advance the national economy based on the principle of kinship.

According to the Republic of Indonesia Law no. 25 of 1992 concerning cooperatives reads as follows: "A cooperative is a business entity consisting of individuals or cooperative legal entities based on activities based on cooperative principles as well as a people's economic movement based on the principle of kinship." Based on this understanding, the development of cooperatives must be continuous and focused, so that cooperatives can apply the principles in a real and correct manner so that cooperatives can be on par with other business entities. One of the tasks of cooperatives is to improve the economic capacity of their members' households by providing real services according to the needs of their members [6]. In general, cooperatives are managed and run simply without the help of information technology, even though as financial institutions cooperatives should adopt developments in information technology to support their operations. The simplicity of cooperatives may be a good thing in the early stages of cooperative development, but as the cooperative itself develops, it is required to become more professional.

4 Conclusion

1. The Indonesian Army, especially as a large organization, has the same interests in the welfare of its members, so the leadership's policy is to establish a cooperative organization outside the structural organization that accommodates these interests. The formation is Inkopad (Army Kartika Cooperative Parent), which oversees Puskop (Cooperative Center) Kotama, and at the bottom is Primkop (Primary Cooperative).
2. Primary Kartika Cooperative TNI AD is required to always maintain consumer trust by improving the quality and quantity of service so that consumer satisfaction increases. Cooperative management needs to be careful in determining the needs of consumers/members.
3. Kartika TNI AD Cooperative is a tool for the economic struggle of society in Indonesia, which is an economic movement to improve the welfare of its members and aims to advance the national economy based on the principle of kinship.

5 Suggestion

1. It is hoped that the TNI AD Cooperative will improve the economic capacity of its members' households by providing real services according to the needs of its members. In general, cooperatives are managed and run simply without the help of information technology, even though as financial institutions cooperatives should adopt developments in information technology to support their operations.
2. It is hoped that as a social economic institution, cooperatives are managed by economic principles, which in their activities take into account profits and losses. However, all of this is done to improve the welfare of its members and society as a whole.

3. It is hoped that every member of the cooperative will have an awareness of doing the best or good deeds and things that are useful in every cooperative activity for all members of the cooperative. Cooperative business entities focus on the people's economic movement, namely a process of managing businesses independently and collaboratively by community groups.

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