

Economic Security in Border Areas: The Fulfillment of Community Welfare

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Article Info	Abstract
<p>Keywords: Economic security, border area management, state border areas</p> <p>DOI: 10.25041/lajil.v6i2.3355</p>	<p>Border area management entails navigating geographical complexity and socio-cultural diversity, necessitating a comprehensive approach that integrates security and welfare. This article highlights a paradigm shift from traditional to economic security, recognizing economic dependence as a potential national vulnerability. Despite challenges like geographic remoteness and economic inequality, border regions are vital for economic growth. Using a conceptual approach, the article emphasizes the need to balance security and welfare through cross-border trade development and community empowerment. While Law Number 43 of 2008 aims to manage borders, unclear authority and regulatory overlap hinder effectiveness, compounded by military-focused defense strategies, limited budgets, and inadequate infrastructure. To address these issues, enhancing international cooperation, clarifying authority, and empowering communities through local wisdom are essential. Such empowerment is expected to bolster self-esteem, reduce economic dependency, and strengthen economic security, emphasizing the importance of balancing protection with economic development. Strategies like expanding trade zones and enhancing social capital, alongside infrastructure development and improved social services, are crucial for ensuring access and fostering the welfare of border communities.</p>

A. Introduction

Indonesia shares borders with four countries with numerous border areas within the nation. These land border regions are distributed across three islands—Kalimantan, Papua, and Timor—and encompass four provinces: West Kalimantan, East Kalimantan, Papua, and East Nusa Tenggara. Generally, a border is defined as a demarcation line between two sovereign states. Political geographers further delineate the concept of borders into two categories:

boundaries and frontiers. Although these terms have distinct meanings, they are complementary and possess strategic significance for a nation's territorial sovereignty. A border is referred to as a frontier based on its position relative to a country, which can be either at the forefront or the hinterland. Consequently, the frontier may also be identified as a foreland, borderland, or march. In contrast, the term boundary emphasizes its function in delineating or limiting a political unit, such as a state, thereby binding all its components into a cohesive and integrated entity.¹

In national legislation, the definition of border areas is articulated in Law No. 43/2008, Article 1, point 4, which specifies that the State Territorial Boundary is a demarcation line that separates the sovereignty of a nation in accordance with international law. Given Indonesia's extensive border regions, there is a pressing need for a comprehensive and accountable border management system. The implementation of border area management typically employs several primary approaches, notably the defense and security approach and the welfare approach.

The defense and security-oriented approach (*Hankam*) is essential for addressing threats that may be military, non-military, or hybrid in nature. This is achieved by deploying the National Army to strategic points along the border.² While this approach is crucial for safeguarding national sovereignty, its relevance remains pronounced in an increasingly globalized world where the challenges stemming from the welfare approach are becoming more significant. It is imperative to acknowledge the socio-economic vulnerabilities present in Indonesia's border regions, as these factors directly impact community empowerment and resilience.³

Every individual possesses the right to security, which is vital for achieving stability and direction in life. When this sense of security is not ensured, feelings of insecurity may arise, adversely affecting overall community resilience.⁴ Individuals who perceive a lack of safety are prone to engage in irresponsible and opportunistic behavior. Key factors contributing to community insecurity include poverty and inequality. In this context, the concept of Economic Security encompasses the capacity of individuals, households, and communities to sustainably meet their basic needs.

The International Committee of the Red Cross (ICRC) defines the basic needs essential for achieving economic security as including food, shelter, clothing, and hygiene facilities. Additionally, expenses related to earning a living, as well as costs associated with healthcare and education, play a critical role in this context.⁵

The implementation of Economic Security varies across different regions of the country, reflecting local circumstances and challenges. In border areas, the pursuit of Economic Security presents unique issues related to trade, policy, infrastructure, and international relations, given the proximity to neighboring countries. For instance, residents of border regions often engage in trade activities across international lines. In the Indonesia-Malaysia border region, such trade has a long-standing tradition, initially emerging to fulfill daily needs. Early trade included commodities like vegetables and natural products such as fruits and other crops.⁶ Malaysian goods are particularly sought after due to their typically lower prices and good quality. This

¹ Suryo Sakti Hadiwijoyo, *Legal Aspects of State Territory*, (Yogyakarta: Graha Ilmu 2012) page 25.

² et al Rusmiyati, *Border Management*, ed. Sri Suniarti (Bandung: CV Cendekia Press 2022).

³ ICRC, *Economic Security Strategy: 2020 - 2023*, January (Switzerland: ICRC, 2020).

⁴ ICRC.

⁵ Hermansyah, "Legal Anthropological Analysis of Cross-Border Trade in West Kalimantan (Efforts to Find a Model and Pattern of Legal Protection)", *Jurnal Dinamika Hukum*, vol.11, no.1 (2011), <https://doi.org/http://dx.doi.org/10.20884/1.jdh.2011.11.1.10>.

⁶ Fatma Muthia Kinanti, "Legal Review of Cross-Border Trade in the Border Areas of West Kalimantan-Sarawak and its Relation to ASEAN Free Trade Area Cooperation" (Thesis Universitas Indonesia, 2015).

disparity in production levels between Malaysia and Indonesia poses challenges to economic growth in border areas, which is essential for achieving economic security within communities.

The difficulties in accessing various consumer products in these border areas, stemming from their isolation from the capital, exacerbate the situation. As a result, obtaining quality goods at reasonable prices becomes increasingly challenging. The high costs associated with infrastructure limitations and other obstacles further hinder access to domestically produced basic needs, such as sugar, making cheaper Malaysian alternatives more appealing. Consequently, the imbalance in production levels between the two countries can obstruct economic growth in these border regions, which is vital for fulfilling economic security for the populace.

Another significant challenge in border areas is the prevalence of illegal activities, such as the smuggling of commodities, sugar,⁷ foodstuffs⁸⁹ wood¹⁰ and the trafficking in persons,¹¹ to drug smuggling.¹² The rise of these illicit activities considerably impacts the attainment of economic security in the region. Smuggling undermines state revenue, ultimately harming the national economy and impeding economic development in border areas. Furthermore, such practices disrupt the operations of legitimate trade businesses, adversely affecting lawful entrepreneurs.

To address the challenges associated with fulfilling economic security in border areas, it is essential to identify specific obstacles and strategies. Several prior studies have examined the economic dimensions of border area management. For instance, Faisyal Rani's research¹³ investigates the development of Indonesia's border areas from a social development perspective, revealing significant disparities in economic and social progress. These areas often lack basic facilities and infrastructure, leading to negative consequences such as encroachment by neighboring countries (the backwash effect), exploitation of natural resources by other nations, and threats to national stability. Consequently, there is a need for a border area development model that integrates both welfare and security approaches.

Endah Rantau Itasari's research¹⁴ on border management between Indonesia and Malaysia highlights the vulnerability of border regions to various threats. To mitigate this vulnerability, it is crucial to develop economic potential through increased investment in these areas, fostering interaction between residents of the two bordering nations. However, this must be achieved in accordance with existing regulations. The security approach emphasizes that border areas, being adjacent to other countries, require stringent security oversight to preserve national integrity. In this context, border areas are recognized as possessing substantial strategic significance concerning national interests, particularly in relation to national defense and security.

⁷ Elyta, "Illegal Sugar Trade in the Entikong Border Area of Indonesia and Malaysia", *Sosiohumaniora*, vol.19, no.1 (2017): 59–63.

⁸ Susanti Mamiloto, "Enforcement of Law Against Transnational Trade Transaction Violations in Border Areas", *Lex Privatum V*, no. 8 (2017): 49–56.

⁹ Fatma Muthia Kinanti, "Fish Smuggling in the West Kalimantan-Sarawak Border Areas as a Form of Transnational Crime and its Relation to the Indonesia-Malaysia Border Management Cooperation Agreement", *Jurnal Hukum Prodi Ilmu Hukum Fakultas Hukum Untan*, vol.1, no.2 (2013).

¹⁰ Krystof Obidzinski, et al, *Timber Smuggling in Indonesia: A Burning Issue or an Exaggeration?* (Bogor: Center for International Forestry Research, 2006).

¹¹ Muhammad Zulherawan, et al, "Human Smuggling in the Malaysia-Indonesia Maritime Border: A Case Research in Bengkalis Island", *Asian People Journal*, vol.1, no. 1 (2018): 138–47.

¹² Elyta, "Drug Smuggling at the Entikong Border Between Indonesia and Malaysia", *Andalas Journal of International Studies*, vol.9, no.2 (2020), <https://doi.org/https://doi.org/10.25077/ajis.9.2.100-115.2020>.

¹³ Faisyal Rani, "Indonesian Government Strategies to Improve Border Security from a Social Development Perspective", *Jurnal Transnasional*, vol.4, no.1 (2012): 1–17.

¹⁴ Endah Rantau Itasari, "Border Management Between Indonesia and Malaysia in Terms of Economic Levels in Both Countries", *Ganesha Civic Education Journal*, vol.2, no.1 (2020): 9–15.

This article employs a conceptual approach, focusing on the development and analysis of relevant concepts. This methodology is typically applied in the preliminary stages of research to comprehend new phenomena or to formulate novel theories. Specifically, the article will explore the concept of economic security and its correlation with the enhancement of community welfare in border areas.

The first section will define economic security and emphasize its critical importance in border regions. This part will examine several interrelated variables, including regional economic growth, natural resource management, investment, socio-cultural relations, and the prevention of illegal activities. Building on this discussion, the second section will identify the challenges to implementing economic security in border areas, considering both physical and non-physical aspects, as well as geographic and border management policies.

Finally, the article will propose strategies to fulfill economic security in border areas, focusing on infrastructure development, border control, and community empowerment. While the issues discussed can generally apply to border regions, the primary focus of the research will be on the Kalimantan-Malaysia border area.

B. Discussion

1. Economic Security in Border Areas

Previous studies on border areas have primarily focused on the strategic position of states from the perspective of border security. This security framework encompasses the economic potential of border regions, which holds significant importance for local communities.¹⁵ In contemporary discussions of state security, the emphasis has shifted from enhancing military capabilities to bolstering economic strength. As global competition transitions from military might to economic prowess, economic security emerges as a crucial component of national security.¹⁶

The theoretical framework for understanding economic security in this article is rooted in the recognition that the security perspective has evolved from traditional concerns to encompass non-traditional issues. This shift encourages a more multidimensional approach, addressing economic, social, health, and environmental dimensions.¹⁷ In an era characterized by globalization, security studies have become increasingly complex, extending beyond mere military competition among states to include the lifelines of the international community. This transformation is marked by advancements in technology and information, increased economic integration, and heightened interactions among nations across economic, political, and social spheres, all of which give rise to non-traditional security challenges that impact national security.¹⁸

From the standpoint of law and international relations, economic security pertains to the role of state governance in utilizing instruments to influence policy-making in other nations.¹⁹ A key source of insecurity in economic terms is the vulnerability that arises from high economic interdependence among countries. This situation can be understood through the lens of dependency theory, which posits that unequal exchanges in various aspects—such as

¹⁵ Rohilie, H. F. "State Security and Human Security in Border Management" *Academia Praja: Jurnal Ilmu Politik, Pemerintahan, dan Administrasi Publik*, vol.3, no.01 (2020): 23-36.

¹⁶ Kifli, G. C., & Shafar, S. M., "Economic Development As A Border Security Strategy: Potential and Challenges in Livestock Development in West Kalimantan", *Jurnal Kawistara*, vol.9, no.3, (2019): 299-308.

¹⁷ Albert, M., & Buzan, B., Securitization, Sectors and Functional Differentiation. *Security dialogue*, vol.42. no.4-5, (2011): 413-425.

¹⁸ Divya Srikanth, "Non-Traditional Security Threats in the 21st Century: A Review". *International Journal of Development and Conflict*, vol.4, no.1, (2014): 60-68.

¹⁹ Elyta, et al, "Entrepreneurship Innovation in Strengthening Economic Security on The Temajuk Border of West Kalimantan Indonesia", *Journal of Government and Civil Society*, vol.7, no.1, (2023): 2-45.

production, human resources, and resource allocation—often create dependencies that can weaken a country's political and economic power.²⁰

Moreover, the concept of economic security has evolved from a state-centric focus to encompass the individual's capacity to maintain a stable source of income, thereby ensuring a sustainable standard of living and reducing societal disparities, particularly in fulfilling basic rights.²¹ Economic security now extends beyond macroeconomic and institutional concerns to include various security attributes, such as threats, risks, and vulnerabilities. This broader understanding necessitates the application of economic theory analysis, incorporating insights from both macroeconomics and microeconomics.²²

Economic security variables are highly relevant to the research of border areas, which hold significant strategic importance from three primary perspectives: defense-security, economy-trade, and socio-culture.²³ Border regions serve as vital hubs for national and regional economic growth. They facilitate trade between countries and surrounding communities, promoting production activities, increasing income, and ultimately enhancing community welfare. Given their potential, border areas may evolve into zones that effectively harness local resources for optimal development.²⁴

The strategic value of border areas is critical for sustaining national development. This significance can be assessed through several indicators: activities within these regions can influence state sovereignty, serve as catalysts for improving the socio-economic well-being of local populations, foster interconnections with activities in neighboring areas and countries, and impact local and national defense and security conditions.²⁵

However, from a security perspective, Indonesia's border areas face various persistent challenges. These land border regions are often geographically and socio-economically isolated, leading to the marginalization of their communities. This marginalization creates vulnerabilities in legal, economic, social, and cultural domains, both internally and externally. Internally, the remoteness and marginalization of border communities can result in low national awareness, potentially threatening the state's stability. Externally, the openness of land border areas allows for easier access for outsiders while also enabling Indonesian citizens to leave the country, which, if not properly regulated, may jeopardize Indonesia's sovereignty.

Historically, border areas have been perceived primarily as gateways for state security, while the socio-economic conditions of the local populations have garnered less attention.²⁶ This neglect is often exacerbated by geographical distance, transportation constraints, and limited human resources, which impede economic development in these regions. Consequently, the potential for economic growth remains unfulfilled. The goal should be to transform border

²⁰ Adesina and Olubukola, "Conceptualizing Borders and Borderlands in a Globalizing World", *AJPSSI*, vol.22, no.1, (2019).

²¹ David B. Carter and Paul Poast. "Why So States Build Walls? Political Economy, Security, and Border Stability", *Journal of conflict resolution*, vol.61, no.2, (2017): 239-270.

²² Lucia Retter, et al, *Relationships between the economy and national security: Analysis and considerations for economic security policy in the Netherlands*, (California: RAND Corporation, 2020)

²³ Purwanto, H., & Mangku, D. G. (2016). Legal Instrument of the Republic of Indonesia on Border Management Using the Perspective of Archipelagic State. *International Journal of Business, Economics and Law*, 11(4), 51-59.

²⁴ Sumadinata, R. W. S., Achmad, W., & Riyadi, S. F. (2022). Indonesian Border Defense Policy: A Case Research on the Interoperability of the joint regional defense command. *Central European Management Journal*, 30(4), 886-895.

²⁵ Kartika Ningtias, et al, "Society Security Vulnerability in Indonesia-Malaysia Border, Sajingan Besar District, Sambas Regency", *Indonesian Journal of International Law*, vol.15, no.3, (2018): 405-423.

²⁶ M Syafei, et al, "The Evaluation of the Indonesian Government Authority in Managing the Border Area of West Kalimantan-Sarawak", *International Journal of Environment, Architecture, and Societies*, vol.3, no.02, (2023): 120-131.

areas into vibrant centers of economic activity that meet the needs of local communities without relying on neighboring regions or cities.

In the current context of a conducive security environment and the globalization process characterized by various cooperative relationships in economic and trade sectors, the management of border areas necessitates a balanced approach that combines security measures with welfare-oriented strategies.²⁷ For instance, neighboring countries like Malaysia, which shares a direct border with Indonesia, have developed their border regions into robust economic growth areas equipped with adequate infrastructure and qualified human resources. An illustrative example is the Lubok Antu border area, located approximately nine kilometers from the Badau sub-district in Kapuas Hulu district, which boasts a hotel with excellent facilities.²⁸

This disparity in development can create vulnerabilities, particularly regarding the dependence of West Kalimantan Province's border communities on Malaysia. Dependency Theory posits that such reliance on another country reflects inherent weaknesses within the dependent country. This dependency can undermine regional autonomy and diminish the competitiveness of local products.

Border areas hold strategic significance for national economic growth. Since the initiation of efforts to enhance development across all regions—particularly those outside Java—state border areas and other underdeveloped regions have been prioritized based on the principles of decentralization and regional autonomy. These policies have shifted the focus from inward-looking development to outward-looking strategies, allowing border areas to serve as gateways for economic and trade activities with neighboring countries. This shift positively impacts economic growth within these regions.

Regional development aims to foster harmonious progress through a comprehensive approach that encompasses physical, economic, and social dimensions. This approach continually evolves in response to changing technological demands and regional conditions, further streamlining development efforts.

Transitioning the paradigm of border area management from a security-centric focus to a welfare-oriented approach is crucial for stimulating economic growth in these regions. This shift will foster the development of economic activities and enhance the livelihoods of border communities.

To harness the economic potential of border regions effectively, the government must establish intercommunity trade zones where residents from neighboring countries can engage in economic activities similarly to those in urban areas. Collaborative efforts between the two countries to create a trade zone encompassing border guard posts, along with jointly regulating and managing these areas, would significantly contribute to economic development in border regions.

Ultimately, border areas must be strategically designed to promote economic growth and trade. Development initiatives should prioritize creating new growth zones that position border regions as gateways for economic and trade activities, leveraging the unique potential of these areas to achieve developmental goals.

Indonesia shares land borders with three neighboring countries: Malaysia in the provinces of West and East Kalimantan, Papua New Guinea on the island of Papua, and Timor Leste in East Nusa Tenggara. The characteristics of these borders differ significantly. In West Kalimantan, Indonesian citizens in border areas often find themselves in a vulnerable economic position compared to their Malaysian counterparts. Conversely, in the border areas of East Nusa

²⁷ Endah Rantau Itasari, "Border Management Between Indonesia and Malaysia In Increasing The Economy In Both Border Areas", *Jurnal Komunikasi Hukum (JKH)*, vol.6, no.1, (2020): 219-227.

²⁸ Abdul Rahim Anuar and Sandy Nur Ikfal Raharjo, "Indonesia-Malaysia Cross-Border Governance During the Covid-19 Pandemic: Challenges And Adaptation in the Integration of the Tebedu-Entikong Border Region", *Journal of International Studies (JIS)*, vol.18, (2022): 89-123.

Tenggara and Papua, Indonesian citizens generally enjoy better economic conditions than those in neighboring countries.

Among these borders, the ones with Malaysia and Timor Leste attract the most attention due to the rising trend of goods circulation, much of which occurs illegally. Commodities from Malaysia and Timor Leste not only circulate at the border but often reach provincial capitals, despite cross-border trade regulations being applicable only within certain distances from the border.

The economic dynamics in border areas reflect the intricate relationships between communities on either side of the border. The opening of border access has led to increased economic activities, suggesting that further development potential exists in these regions. Similar patterns are observed in other countries where economic potential has spurred border development.

To enhance the social and economic aspects of border areas, empowering local communities' social capital is essential to mitigate the negative impacts of migration. A concept promoting a common area for communities from both border countries can serve as a gradual development strategy, fostering connections among those with familial or ethnic ties. Research conducted in Bengkayang Regency, West Kalimantan, highlights that border communities, particularly the Dayak people, maintain strong family bonds despite being separated by national boundaries. These ties are reinforced through commitments to visit each other on special occasions.

Cultural exchanges, such as the *gawai* ceremonies held in both Sarawak, Malaysia, and Sambas Regency, illustrate the intertwined relationships among indigenous communities. Many indigenous people from Malaysia frequently cross the border for various reasons, including migration and traditional activities. The socio-cultural dimensions of border communities can serve as valuable assets for developing border areas, fostering security and peace through mutual respect, openness, and a sense of brotherhood.

Effective development and management of border areas extend beyond geographical considerations; they necessitate a holistic understanding of the dynamics at play. Involving local residents as active participants in border management is crucial. The ethnic diversity of border communities presents opportunities for cooperation in various sectors, including economic development, education, and security.

Moreover, the government has a fundamental responsibility to address security issues impacting border communities. This includes enhancing services to broader communities and developing necessary infrastructure and facilities. The government's initiatives should aim to tackle the tangible problems faced by border residents, ensuring they receive adequate support and resources to overcome their challenges.

2. Challenges and Strategies for Economic Security in Border Areas

Borders demarcates a country's territory as well as ensuring national security. They are integral to a nation's identity and serve as mechanisms for state security practices. Conceptually, border security encompasses the protection of a country's land, air, and maritime domains, as well as the prevention of threats at these boundaries. It involves safeguarding entry points such as seaports, airports, and land crossings, where officials monitor the lawful movement of people and goods.²⁹

In Indonesia's context, its strategic position and extensive territory, which shares borders with ten countries, pose significant challenges to border security, particularly regarding

²⁹ Kari Laitinen, "Geopolitics of the Northern Dimensions: A Critical View of Border Studies," *Geopolitics*, vol.8, no.1, (2003): 30.

economic security.³⁰ The border regions are often hotspots for international crimes, including illegal trade, smuggling of essential goods, drug trafficking, human trafficking, illegal logging, and terrorism threats.³¹

One prominent issue is illegal trade, notably at the border between Kalimantan and Malaysia. This trade violates cross-border agreements, specifically the Border Trade Agreement (BTA) of 1970, which restricts household purchases of essential goods to a maximum of 600 Malaysian Ringgit per month. Over time, however, this policy has been exploited, with some border community members purchasing goods from Malaysia to resell at higher prices. Similar illegal trading patterns are observed at Indonesia's border with Papua New Guinea, where fuel and protected commodities are frequently smuggled.³²

The prevalence of illegal trade in border regions can often be attributed to market dynamics such as price disparities and fluctuating supply and demand. Additionally, many residents struggle to meet their basic needs³³, driving them to engage in illegal trade. The stark economic differences between neighboring countries exacerbate these issues, leading to economic dependence. This situation exemplifies the economic reliance of Indonesian border communities on Malaysia, as well as the reciprocal dependence of Papua New Guinea and Timor Leste on Indonesia.

In the border regions between Indonesia and Malaysia, particularly in Kalimantan, disparities in socio-economic conditions can adversely impact the communities residing in Indonesia's border areas. This is exemplified by the "utilization" of natural resources by neighboring countries without appropriate compensation for the local community.³⁴

The geographical context of Indonesia's border regions presents significant challenges to economic security. Generally, Indonesia's land borders with neighboring countries are characterized by underdeveloped and isolated areas. This isolation is evidenced by the difficulties in accessing these border regions, which are often hindered by hilly terrain or dense forests, making them reachable only by air or specialized boats designed for navigating rugged rivers.³⁵ Consequently, despite being strategic areas with abundant natural resources, the border regions are not optimally utilized, particularly for the benefit of local communities, and in some cases, resources are exploited by neighboring countries. This has resulted in the persistent underdevelopment of border areas.

Border management policy, as an integral aspect of state governance, serves as an indicator of the government's commitment to managing its borders effectively.³⁶ One way to demonstrate this commitment is through the establishment of comprehensive formal legal regulations. The enactment of Law No. 43/2008 on State Territory can be interpreted as a sign of the government's dedication to coordinating the border security system, notably through the establishment of the National Border Management Agency (BNPP). However, at a practical

³⁰ Budi Hermawan Bangun, "Concepts and Management of State Border Areas: An International Law Perspective", *Tanjungpura Law Journal*, vol.1, no.1, (2017): 59.

³¹ Rick Nelson, "Border Security in a Time of Transformation: Two International Case Studies - Poland and India", A Report of the CSS Homeland Security & Counterterrorism Program, Europe Program, and South Asia Program, CSIS, 2010, 2-3.

³² Melyana R. Pugu, et al, "Infrastructure Development in Papua Border: Efforts to Ensure Human Security and Combat Cross-Border Illegal Trade", *Masyarakat Indonesia*, vol.45, no.1, (2019): 80.

³³ Sali Garry, "Concerns and Challenges of Crime in Papua New Guinea", *South Pacific Studies*, vol.38, no.2, (2018): 44.

³⁴ Budi Hermawan Bangun, "Building a model for Cross-Border Management Cooperation in West Kalimantan-Sarawak (A Comparative Research)", *Masalah-Masalah Hukum*, no.43, no.1, (2014): 32.

³⁵ Sonny Sudiar, "Border Area Development: An Overview of Land Bborder Management Strategies in North Kalimantan Province", *Jurnal Administrative Reform*, vol.3, no.4, (2015): 490.

³⁶ Dewa Gede Sudika Mangku, "The Role of the National Border Management Agency (BNPP) in Safeguarding the Sovereignty of the Republic of Indonesia's Territory", *Jurnal Ilmiah Ilmu Sosial*, vol.4, no.2, (2018): 168.

level, this law appears to overlap with various existing laws and regulations related to border security management. These include Law No. 6 of 1996 concerning Waters, Law No. 2 of 2002 concerning National Defense, Law No. 34 of 2004 concerning the Indonesian National Armed Forces (TNI), Law No. 31 of 2004 concerning Fisheries, Law No. 26 of 2007 concerning Spatial Planning, Law No. 27 of 2007 concerning the Management of Coastal Areas and Small Islands, Law No. 17 of 2007 concerning the National Long-Term Development Plan (2005-2025), and Presidential Regulation No. 81 of 2005 concerning the Maritime Security Coordinating Agency, among others. Additionally, the *BNPP*'s membership comprises various ministries, non-ministerial government agencies, and governors of border areas, necessitating effective coordination, which often proves challenging to achieve.

Prior to the establishment of the National Border Management Agency (*BNPP*), there was a lack of uniformity regarding the leadership of Joint Border Committees. For instance, the Indonesia-Papua New Guinea Joint Border Committee was chaired by the Minister of Home Affairs as Indonesia's representative, while the Indonesia-Malaysia Joint Border Committee was led by the Minister of Defense, with the Commander of the Indonesian National Armed Forces (TNI) presiding prior to 2004. Since the formation of *BNPP*, which is chaired by the Minister of Home Affairs, all border-related issues appear to fall under the purview of this ministry and several other ministries and institutions that "support" border management. However, despite the spirit of regional autonomy, local governments tend to regard border security matters as the domain of the central government when developing border areas.

Indonesia's defense strategy and posture, which continue to be grounded in a territorial vision emphasizing a military approach, have resulted in insufficient integration of non-territorial border issues into border security considerations. Furthermore, security and sovereignty threats have evolved beyond military aggression to encompass non-traditional threats, including economic security, which are intrinsically linked to law enforcement. The inadequate infrastructure and budget allocated for border security significantly affect the performance and professionalism of officers tasked with maintaining security in these regions. Consequently, border security operations are often conducted in a limited and ad hoc manner.

To address these challenges, a comprehensive strategy is required to ensure economic security in border areas, with the ultimate aim of enhancing the welfare of the local populations, particularly those residing in border regions. In this context, cooperation in border management, especially with neighboring countries, must be strengthened. Border management entails not only national dimensions but also international aspects, particularly concerning bilateral cooperation between adjacent nations. The establishment of common perspectives and interests regarding border areas is crucial for determining the intensity of such cooperation.³⁷

Two key conditions must be met to ensure the effectiveness of inter-country cooperation. First, there must be a mutual respect for each nation's national interests; without this, achieving the desired level of cooperation is unattainable. Second, a collaborative decision-making process is essential for addressing pertinent issues. This necessitates ongoing communication and negotiation, with the frequency of dialogue and consultation exceeding that of mere acknowledgment or sympathy.

In the national context, it is essential to clarify the coordination mechanisms in border management both horizontally and vertically. The delineation of authority between the central and local governments remains ambiguous, leading to various issues and conflicts among parties involved in the implementation of regulations across sectors such as education, labor, public works, land use, investment, and forestry and mining.³⁸ To maximize the economic

³⁷ Zulkifli, "International Economic Cooperation as a Solution for Managing State Border Areas (Case Research of Indonesia)", *Jurnal Ilmiah Cano Economos*, vol.3, no.2, (2017): 144

³⁸ Aryono Putra, "Indonesia-Malaysia Border Cooperation (Case Research of Nunukan-Tawau Border)", *Jurnal Hukum Ius Quia Iustum*, vol.22, no.2, (2015): 321.

potential in border regions, it is imperative to define the boundaries of authority at each level of government clearly. Recent border development policies implemented by the Indonesian government have led to notable changes in economic security within these areas, particularly evidenced by a gradual decrease in economic dependence on Malaysia.³⁹

The shift in the paradigm of state border management from an "inward-looking" approach to an "outward-looking" perspective reflects the government's response to the challenges faced by border areas. The development initiatives aimed at transforming these regions into the "front yard" of the national territory must leverage the role of state borders as gateways for economic interactions with neighboring countries, thereby creating opportunities to enhance the welfare and economic growth of border communities. Consequently, the policy direction for border area development, as outlined in *BNPP* Regulation No. 1/2015 concerning the Master Plan for State Border Management (2015-2019), emphasizes three key aspects: the development of infrastructure, the economic advancement of border areas, and the provision of basic social services, all of which must be sustained and enhanced.

Economic security in border areas can be achieved through the establishment of the National Strategic Area Center (*PKSN*), improving accessibility, and fostering regulations and trade cooperation between countries by leveraging the comparative advantages of well-equipped Customs, Immigration, Quarantine, and Security (*CIQS*) facilities, alongside effective program management between central and local governments.⁴⁰ This approach will facilitate spatial welfare through the development of key areas within the border region, ultimately serving as a catalyst for growth in surrounding areas.⁴¹

Equally important for establishing economic security in border areas is the empowerment of local communities. Community empowerment remains a central issue in development implementation, particularly concerning the enhancement of community welfare.⁴² Empowerment involves equipping vulnerable and marginalized communities with skills, resources, and capabilities to strengthen their resilience. In essence, empowerment provides individuals with the opportunity to independently improve their self-esteem and dignity, thereby fostering resilience across various facets of life. The strategy for empowering border communities must be aligned with the potential of available resources and sensitive to local wisdom and cultural contexts.

The precision in identifying community empowerment strategies significantly influences security at the border, particularly in terms of economic stability. Communities situated in border areas are susceptible to external influences, which can result in insubordination and lead to conflicts, both vertical and communal.⁴³ Furthermore, the poverty experienced by some border communities not only fosters economic dependence on neighboring countries but also increases their vulnerability to crimes such as smuggling, human trafficking, and drug-related offenses. Stakeholders in border regions must actively engage with the local community,

³⁹ Budi Hermawan Bangun, "A Socio-Legal Research of Cross-Border Trade Regulations and Patterns at the Entikong State Border Crossing Post (PLBN)", *Jurnal Komunikasi Hukum*, vol.8, no.1, (2022): 141.

⁴⁰ Yuliana, "Sovereignty from an Economic Perspective: A Portrait of the Dynamics of Dependence in Meeting Living Needs at the Border", in Mita Noveria, et al, *Indonesia's Sovereignty in Border Areas: A Multidimensional Perspective*, (Jakarta: Yayasan Pustaka Obor Indonesia, 2017) page 164.

⁴¹ Wangke, "Integration of Border Management between Indonesia and Malaysia in Kalimantan", in Humphrey Wangke (ed.), *Indonesia-Malaysia Cooperation in Border Management in Kalimantan*, (Jakarta: Yayasan Pustaka Obor Indonesia, 2017) page 124.

⁴² Usman Pakasi, et. al., "Community Empowerment Strategies in the Indonesia-Papua New Guinea Border Region, Muara Tami District, Jayapura City, Papua Province", *Proceedings of the 6th National Symposium on Marine and Fisheries*, Makassar, Universitas Hasanuddin, 2019, 344.

⁴³ Ildefonso Aklis Do Carmo, et al, "Empowering Indonesia-RDTL Border Areas Through State Border Crossing Post Development to Enhance Regional Security Stability", *Jurnal Strategi Pertahanan Darat*, vol.7, no.1, (2021): 20.

particularly those residing in remote areas away from the centers of government and economic activity, to ensure that these individuals do not feel marginalized or alienated from their identity as Indonesian citizens.⁴⁴

The state's presence in border regions must be manifested through the assurance of access to essential needs for residents, including basic food supplies, economic opportunities, education, and healthcare services. Thus, the acceleration of border area development requires more than just the construction of border posts (PLBN) as formal crossing points; it also necessitates the establishment of various facilities that cater to the needs of border communities.

C. Conclusion

The management of border areas presents its own complexities and challenges. Given the diversity of these regions and their geographical intricacies, a comprehensive approach to border management is essential. A combined security and welfare strategy is crucial, acknowledging that global challenges, including illegal activities, can significantly impact the economy and well-being of individuals residing in border areas. Economic security serves as a fundamental cornerstone for ensuring the sustainable fulfillment of the basic needs of these communities.

In border areas, there is a notable paradigm shift from traditional security to non-traditional security, with economic security emerging as a primary component of national security. The economic interdependence between countries is a focal point, representing both potential vulnerabilities and weaknesses for nations. Economic security, particularly in relation to international law and relations, underscores the importance of the government's role in utilizing instruments to influence policy and mitigate insecurities stemming from economic dependence. Three key perspectives can be employed to analyze economic security in border regions: defense-security, economic-trade, and socio-cultural. While border areas hold significant potential as growth points for the economy, they also face challenges such as geographical remoteness and disparities in economic development. Effective border management necessitates a balance between security and welfare, with an emphasis on developing inter-population trade zones and empowering the social capital of border communities. The overarching goal of border area development should be to establish these regions as centers of economic growth, leveraging their unique potential and fostering cross-border cooperation. As security conditions become more conducive and globalized, the integration of security and welfare approaches will be vital in stimulating economic growth in border regions.

Despite the establishment of Law No. 43/2008 for border management, unclear authority and overlapping regulations hinder its effectiveness. Additionally, a defense strategy heavily focused on military aspects, combined with inadequate budgetary allocations and border infrastructure, further impacts security. To address these challenges, it is essential to enhance international cooperation, clarify the division of authority, and empower border communities. Empowerment initiatives that consider local wisdom can bolster community self-esteem, reduce economic dependence, and strengthen economic security in border areas. Furthermore, expanding infrastructure development and social services is necessary to improve access and reinforce the state's presence, ultimately contributing to the welfare of border communities.

⁴⁴Yusa Djuyandi, et al, "Empowering Border Communities as a Form of National Defense: Experiences from Entikong District, West Kalimantan", *Dharmakarya*, vol.12, no.1, (2021): 97.

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