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ABSTRACT

The development of the industrial revolution basically have a systemic impact on various aspects of life, one of them with regard to the defence sector. It is important to understand because the national defence industry is not the only industry in the light of the economic aspect alone, although its development orientation of the defence industry in various countries around the world has become one of the profitable sectors. In this industry there is the role of the state as the largest shareholder of the security interests of their respective countries, so it needs to be underlined that the defence industry will be full of national interest of the country, which, if left entirely to the search of profit would threaten the interests of the country. In the management of the defence industry then it should be managed well, one of them involving the private sector in the management of the industry. This is because the private sector have contributed in realizing the independence of the defence industry both nationally and internationally. However, in the context of Indonesia until now still largely unprepared defence industry well, it can be seen from every existing problems. This research used a qualitative method in which the data were collected through interviews with informants from various related agencies. In addition, the data used is also from observation and documentation. The results showed that the private sector is less actively involved in the fulfillment of defence products, the lack of a policy that explicitly regulate the mechanism of private sector involvement in developing the defence industry, the limited R & D carried out, the lack of Domestic Loans and yet good management system, especially the private sector defence industry.

Key words : Research and Development (R&D), Private Defence Industries, National Security, Industrial Revolution 4.0