# Paguron and commercialization of education in Indonesia through school-based religion and international

### Diana Putri Arini<sup>1\*</sup>, Muhammad Akbar Rafsanzani<sup>2</sup>

- 1\* University Catholic of Musi Charitas, Indonesia
- <sup>2</sup> Komunitas Digiedu, Indonesia

Email: 1 Diana\_putri@ukmc.ac.id; 2akbar0310@gmail.com

\*Correspondent Author

**ABSTRACT KEYWORDS** Commercialization KH Dewantara prioritizes education on the ability to think freely, education so students can overcome their challenges. KH Dewantara's Globalization educational views became the basis for national education in the **Paguron** Republic of Indonesia. "Paguron" is a national education concept created by KH Dewantara according to the nation's personality, with low cost and excellent results. Globalization has shifted the goal of education towards the mastery of knowledge, leading to the emergence of many elite schools based on religion and international schools. Recent findings show that the cost of education is increasing every year. This paper explores education commercialization in Indonesia through a systematic literature review of previous research and media coverage. The author suggests overcoming the commercialization of education through an educational intervention to set a maximum limit for private school fees by the government. This is intended to ensure that access to education is available to anyone, regardless of their ability to pay. This is an open-access article under the CC-BY-SA license.

# Introduction

KH Dewantara, Indonesia's first Minister of Education, is a prominent figure in the Indonesian education system. According to him, education aims to harness all of the inherent strengths in children to help them become individuals and members of society who can reach the highest levels of safety and happiness (Dewantara, 1961). Dewantara's educational perspective is grounded in the belief that humans have natural abilities to overcome problems, freeing them to think more broadly (Suparlan, 2015). However, globalization and the demand for competition have brought about technological advancements that have changed the philosophy of education from emphasizing freedom of thought to prioritizing knowledge mastery. This focus on education has resulted in a more pragmatic and materialistic way of thinking.

KH Dewantara coined the term "Paguron" to refer to the school or national education system, inspired by the traditional learning environment where students visited their teacher's house during the Hindu-Buddhist era. The Paguron system is focused on Indonesian cultural values, national, and social life (Tarigan et al., 2022). Paguron serves as a tri-educational center that includes a place for teachers, a place for learning, and a place for education within the community. Consequently, the concept of Paguron gave rise to the establishment of residential schools such as Islamic boarding schools, military schools, and other dormitory-based schools.

KH Dewantara believed that the education system must be congruent with the identity of the nation, inexpensive, and produce favorable outcomes (Tarigan et al., 2022). As such, it can be inferred that the education system should be accessible to all strata of society. Furthermore, Indonesia is a nation that values human rights and upholds the principles of the rule of law. Article 31, paragraph 1 of the 1945 Constitution stipulates that "all citizens have the right to education", and paragraph 2 states that "every citizen is obliged to receive basic education, which the government must fund". According to Article 21 of Law No. 20 of 2003 on the national education system, the government and regional authorities must ensure that compulsory education up to the basic level is provided without any charge.

It has been observed that education costs are on the rise, particularly for private schools that are deemed prestigious. The average expenditure of Indonesian parents on their children's education amounts to \$18,422 (or more than 280 million Indonesian Rupiah). According to a survey conducted by the Central Statistics Agency, the trend in education costs in Indonesia is increasing, as illustrated below:

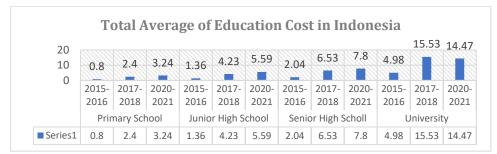


Figure 1 Total average education cost in Indonesia
Source Central Statistics Agency
\*calculated per million

The information presented in the table indicates a rise in education expenses starting from 2015 up to 2021. As a result of the Covid-19 pandemic, universities have reduced their

tuition fees, leading to a decline in costs at the university level. However, this trend has been a subject of criticism from education specialists and observers, who view it as evidence of the commercialization of education due to the escalating cost of learning.

Education is an inherent entitlement for all individuals, and as such, it is an absolute right that everyone possesses, without any exceptions. The commercialization of education results in education being accessible to only certain individuals (Siregar & Facharudin Azmi, 2021), promoting social discrimination (Mutma'inah, 2018), and perpetuating materialistic, consumptive, hedonistic, and pragmatic mindsets (Solihin, 2015). The global competition has led to educational stratification, as exemplified by the introduction of international-based pilot schools (RSBI), which was later abolished by the government in 2012. This decision was made due to RSBI's contribution to social discrimination in education based on social class, which violates the 1945 Constitution's mandate (Edison, 2012).

Solihin (2015) argues that the existence of executive classes, international classes, regular classes, and special tracks in schools leads to evaluating a school's charisma or prestige, creating opportunities for the commercialization of education. The impression of elitism is created by schools considered charismatic or superior, such as integrated Islamic-based and international-based schools. The commercialization of education arises due to the government's inability to provide sufficient funding for schools, resulting in parents bearing the cost of education. Faozan (2020) observes a trend of parents enrolling their children in elite religious-based schools with good facilities. This trend has led to parents being willing to spend more money to enroll their children in schools considered to be elite. This is supported by a survey by the Hongkong and Shanghai Banking Corporation (2017) which shows that 91% of Indonesians prefer to pay for education in private schools.

Based on the background of the problem caused by the phenomenon of commercialization of education in Indonesia, this study was conducted using a literature system from the last 10 years of research that examined the commercialization of education in Indonesia. There are three problem formulations in this article, namely:

- 1. Why does the commercialization of education occur in Indonesia?
- 2. Can the identity of a school's charisma create an elite, favorite school and guarantee the quality of its education?
- 3. What interventions are being done by the government to stabilize education costs to minimize the commercialization of education?

#### Method

The research method used is normative legal research with a normative juridical approach that emphasizes using research materials or literature data. This research also uses a legislative approach and a comparative approach. This study belongs to a descriptive analytical research, which describes and analyzes problems related to the educational philosophy of Ki Hajar Dewantara. In this research, data acquisition is carried out through a literature study using secondary data, namely trying to find laws, journals, theories, and findings closely related to the main problem that will analyze the Philosophy of Education of Ki Hajar Dewantara and the development of education in Indonesia.

## **Result and Discussion**

#### 1. What causes the commercialization of education?

Ki Hajar Dewantara's perspective on education was shaped by his life experiences and critical examination of the fate of his colonized nation. During the colonial period, society was divided into three groups: Dutch citizens, non-Dutch foreigners (Chinese, Indians, Arabs), and natives. Education for natives was provided through institutions such as the Hollandsch-Indlandsch School (HIS) and Meer Uitgebreid Lager Onderwijs (MULO), where the students were mainly descendants of aristocrats, Dutch government officials, and wealthy merchants (Ricklefs, 2001). HIS aimed to prepare natives to become employees working under the Dutch government rather than government officials.

The Indonesian national character is incompatible with the Western educational style, as it emphasizes "regering, tucht, dan orde" (government, discipline, and order), which is a form of violence against students, according to Dewantara (1961). KH Dewantara attempted to address social inequality and human rights violations through education. Therefore, according to Dewantara, the goal of education is to advance the nation without discrimination based on religion, ethnicity, culture, or socioeconomic status. Suparlan (2015) argues that Dewantara's educational philosophy is progressivism, which posits that students have an innate ability to solve problems and should be granted the freedom to think freely.

The era of globalization has caused a shift in educational philosophy from free thinking to mastery of knowledge (Suparlan, 2015). Global competition has created educational stratification through elite school labels such as Rintisan Sekolah Bertaraf Internasional (RSBI), Sekolah Kategori Mandiri (SKM), Sekolah Standar Nasional (SSN), Sekolah Persiapan Pemenang Nobel (SPPN), Sekolah Penghasil Insan Kamil Kompetitif (SPIKK), Sekolah Nasional Plus (SNP), Sekolah Unggul (SU) and Sekolah Reguler (Solihin, 2015). Another phenomenon is

private schools based on international and religious standards, such as Islamic Integrated Schools, which are considered to be of higher quality. This has created a perception that attending a quality school can only be done by paying a higher education fee than regular schools without elite labels.

Assessing schools based on pride or charisma attached to international or Islamic Integrated School labels triggers commercialization of education. According to Sulfasyah and Arifin (2016), commercialization of education occurs when education costs become inaccessible to lower-middle-class communities, when education costs are expensive without recognizing levels or stages of education, and when additional costs are imposed beyond mandatory fees, such as school book fees, national holiday celebrations, and extracurricular activities. Rumapea (2017) argues that commercialization of education is a condition where education is oriented towards profit rather than educational goals, thus hindering the success of education in humanizing individuals. Commercialization of education refers to educational institutions with educational programs that require expensive school supplies, thus making education accessible only to those with strong financial means (Siregar & Azmi, 2021). Based on these opinions, it can be understood that the commercialization of education is the act of raising education costs for student operational expenses, making it accessible only to those in high socio-economic classes.

According to Mutma'inah (2018), the Tahfiz Alquran program in Islamic Integrated Schools can be considered a form of commercialization because the program is used to attract the market's interest and make the cost of education more expensive. The tradition of memorizing the Quran emerged after Prophet Muhammad's death due to the love of Arabic literature. This created many interpretations and virtues in memorization experts' reading of the Quran. The Tahfiz Alquran program became a trend when many competitions and contests for reading the Quran emerged. The shift in spirit from interpreting and studying the Quran changed to just memorizing it.

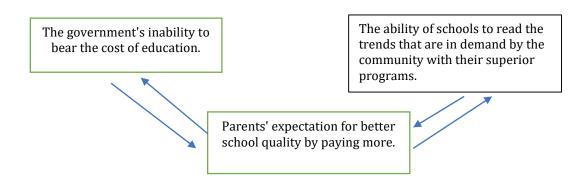
Schools are non-profit institutions, so they do not seek profit, but require operational costs. The government is not strong enough to bear the cost of education. According to Siregar and Azmi (2021), financing education that cannot be fully burdened on the government makes parents participate in financing, thus creating discrimination. Another opinion states that the commercialization of education occurs because: 1) there is a phenomenon of educational capitalism that opens up premium services that prioritize those who pay more; 2) the use of

technology, the assumption that schools that use technological facilities are considered to guarantee development; 3) culture, indicating social strata in society (Rumapea, 2017).

Elite schools are considered to be able to fulfill parents' expectations for their children's goals or achievements. A practical example is enrolling students in an International-based school so that they will be more fluent in English and considered capable of competing with the global community. Faozan (2020) reported that parents of students do not pay much attention to the school accreditation but rather to the school facilities and physical factors that the school possesses.

Parents aspire to enroll their children in superior schools to secure their future. A survey conducted by HSBC (2017) reveals that 91% of Indonesian parents are willing to enroll their children in private or paid schools, indicating their eagerness to enhance their children's educational standards. Faozan's (2020) research supports this, highlighting parents' eagerness to enroll their children in high-end religious-based schools. Elite schools are accessible to the affluent social class foster the expectation of a superior educational experience.

Based on the above study, the author believes that there are three pillars that significantly contribute to the commercialization of schools: government, schools, and society. The government's inability to manage the education sector's costs creates opportunities for schools to charge tuition fees for their operational and profit-making activities. Schools play a role in using their programs to attract the interest of the community to pay more. Society's expectation of obtaining better educational quality with paid school facilities. The conditions that cause the commercialization of education can be illustrated as follows:



Picture 1

# 2. Does the identity of school charisma guarantee the quality of education?

The idea of a school's charisma creating an elite, favorite school and guaranteeing the quality of its education is a complex and multifaceted issue. While a school's reputation and

identity can certainly contribute to its perceived status and popularity among students, parents, and the wider community, it is not a guarantee of quality education. Research has shown that factors such as teacher quality (Mincu, 2015), curriculum design (Twining et al., 2021), and student engagement (Conner, 2016) are critical components of high-quality education. In some cases, schools that focus heavily on their identity and reputation may overlook or undervalue these essential components, leading to a decline in the quality of education offered.

Whether an Islamic or international based school can guarantee the quality of its education, some argue ((Hifza et al., 2020) that such schools offer a globally recognized curriculum and teaching standards, which can ensure the quality of education provided. Furthermore, Islamic or international based schools usually hire qualified and experienced teachers who are familiar with Islamic(Nurcholiq, 2022) or international teaching standards (Sumintono, 2013)(Busni, 2022)(Arifin, 2014) argues that the mere label of "Islamic or international" does not guarantee the quality of education. They point out that some Islamic or international schools may prioritize profits over quality education(Sudarsana, 2018) and may employ unqualified teachers or follow a curriculum that is not tailored to the local context(Utami, 2015).

To evaluate a school's level of quality as high accreditation, it is essential for the school to comply with the national education standards, which encompass various aspects such as the caliber of its graduates, the efficacy of its teaching and learning methods, the quality of its faculty, and the efficiency of its administrative system (Accreditation Instrument). Several constraints were identified (Ariyanti et al., 2019) in Islamic schools, such as teachers not having the inline teacher qualifications and maintaining school quality by providing financial incentives and establishing teacher work teams to improve their teaching competence. Additionally, Busni (2022) found that the weaknesses aspect of Islamic-based schools encompasses several areas, including the considerably rigorous schedule of learning activities and the tendency to utilize national holidays for productive pursuits. Suppose we link back with Ki Hajar Dewantara, which envisions freedom of thought to prioritize drilling and practices. In that case, we can sum up if there is a misleading interpretation in educational landscape.

Other critics argue that Islamic (Arifin, 2014) or international schools Busni (2022) may exacerbate inequality, as they are often expensive and therefore only accessible to a privileged few. There is a prevalent belief in our society that top-performing schools with exceptional standards are only within reach of affluent individuals owing to the exorbitant tuition fees, for instance, integrated Islamic-based and international-based schools. Within the Muslim community, there is an emerging tendency toward advertising and service industries that offer "religious labels" (Devi et al., 2021)(Hendariningrum & Susilo, 2014). For example, the emergence of high-cost Islamic schools that exploit religious sensitivity to generate business profits (Arifin, 2014). In addition, there is a social phenomenon where the quality of schools that have elevated the status to an international-based school is questioned (Sudarsana, 2018) because various forms of educational stratification are solely for the purpose of enriching the school and creating the perception that schools with this program are superior to others(Irawansyah, 2022)The emphasis on a school's identity and reputation may contribute to the creation of a hierarchical system of education, where only students who can afford to attend elite schools or gain acceptance based on their family background or social status are afforded access to the best education. This scenario poses a considerable risk to the survival of our education system. Consequently, as the education system evolved to become an institution entrusted with producing a highly competent generation, the primary role of schools has undergone a significant transformation. This can perpetuate inequality and limit opportunities for those from lower socio-economic backgrounds, which is incongruent with KHD's value of providing inexpensive education services.

In conclusion, while a school's charisma and reputation can contribute to its perceived status and popularity, it is not a guarantee of quality education. A critical analysis of factors such as teacher quality and social justice is pivotal to ensuring that all students have access to a high-quality education, regardless of their background or social status.

# 3. Government intervention can reduce commercialization.

According to KH Dewantara, Paguron as an education center, are place for teachers, place for learning, and education in society must be affordable. According to KH Dewantara, this affordable concept can be accessed by the public, dares to live simply and teach according to the national system in accordance with the personality of the nation (Tarigan et al., 2022). Besides being cheap, education in Paguron is of good quality and suitable for

the personality of the nation (Suparlan, 2015). Based on this opinion, education is a form of public space to obtain education without differentiating individual status and degree.

The solution offered and implemented by the government to reduce the commercialization of education due to the caste system in schools is to create an educational zoning system. Starting in 2017, the Ministry of Education and Culture implemented a zoning system policy in the process of accepting new students (PPDB) which was refined in 2018 by introducing Permendikbud No. 14 of 2018 as a substitute for the previous policy, namely Permendikbud No. .17 of 2017, which also regulates PPDB. Social justice is expected to be created, students get the opportunity to access quality education services. Students who are in middle economic conditions and whose academic abilities are lacking can still access quality schools in their environment. Prior to the zoning system, there were castes in the selection of superior and non-featured schools and the purchase of student quotas in superior schools.

The zoning system was presented to return education as the responsibility of the Nation, even though this program is not perfect, a vision of social justice in education will be created. The zoning system was criticized by parents because it reduced students' learning motivation and did not appreciate the students' achievements (Anjarwati & Rochmat, 2020) Students were not selected based on their achievements or accomplishments, but based on their proximity to their homes. Learning achievement is not an indicator of student success in reaching the institution they want (Syakarofath et al., 2020). According to Nirwana et al (2019), the zoning system is contrary to the principles of Indonesian democracy to choose the expected school.

The commercialization of education occurs in private schools because the government does not intervene and frees up schools to collect operating costs from students' parents. According to Rumapea (2017), the commercialization of education has a positive value for increasing competition for quality and school facilities, increasing the welfare of advertisers, reducing educational costs borne by the State, and increasing public awareness to contribute to education. This condition triggers a dilemma because in order to access quality education services with a curriculum that is not owned by public schools, you have to pay a higher fee. According to Mutma'inah (2018), the higher cost of education with equal quality is not a commercialization of education, but has an impact on social distance and triggers social behavior.

The solution that can be offered in this paper is to present the role of the government to mediate the increasing costs of private schools. The government is expected to create a limit for the cost of school fences that parents can afford based on regional opinions or other calculations. The existence of a school fee fence limit makes the quality of education that students get as good as the price that can be reached. Students can choose a school based on their beliefs, values , and expectations, not based on their ability to pay. The government may control tuition fees in private schools to ensure that education remains accessible and affordable to a wide range of students, regardless of their socioeconomic backgrounds. This may involve setting price ceilings or establishing regulations for fee increases. The government may also impose penalties or revoke licenses for schools that violate these regulations. Additionally, the government may offer financial assistance or subsidies to private schools to help offset the costs of providing education to students.

In the Indonesian context, the government justifies the control of price ceilings or the establishment of regulations for fee increases in private schools to ensure that education remains affordable and accessible for all segments of society. Private schools have the autonomy to set their own tuition fees, but this can lead to inequities in education as not all families can afford the high costs of private education. The government's intervention aims to prevent private schools from exploiting the demand for quality education and profiting excessively from education services. The control of tuition fees also serves to ensure that private schools comply with minimum standards of quality in education and facilities and that they do not compromise the education of their students due to financial pressures.

To convince private schools to accept a price ceiling, it is important to emphasize the benefits of such a policy, both for the school itself and for the broader community.

- 1. Improved reputation: By accepting a price ceiling, private schools can demonstrate their commitment to providing affordable, accessible education to a wider range of students. This can enhance their reputation and help attract more families to enroll their children.
- 2. Increased enrollment: With a price ceiling in place, more families may be able to afford to send their children to private school, resulting in increased enrollment and potentially even higher revenue overall.
- 3. Reduced inequality: Private schools have a responsibility to ensure that all students have access to high-quality education, regardless of their family's income level. By

- accepting a price ceiling, schools can help reduce economic inequality and provide a more level playing field for students from all backgrounds.
- 4. Long-term benefits: Investing in education is one of the best ways to ensure long-term economic growth and prosperity. By making education more accessible and affordable, private schools can contribute to a more prosperous society overall.

Overall, it is important to frame the price ceiling as a positive step that will benefit both the school and the community as a whole. By working together to ensure that all students have access to high-quality education, private schools can help build a brighter future for everyone.

#### **Conclusion**

From the point of view of KH Dewantara, education must be oriented towards the cultural values of the Indonesian nation, cheap and of good quality. The commercialization of education can trigger social discrimination, hedonism, consumerism, and shift the goals of education to humanize humans. Therefore, it is hoped that the government can intervene in financing elite private schools based on International and Islamic School by setting budgetary limits.

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