Privatization of The Education Sector in Indonesia: 
A Review of Conflict Theory

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<td>Received: 15-04-2022</td>
<td>Privatization of education in Indonesia is legitimized by a number of regulations, for example Law no. 20 of 2003 on the National Education System and Law no. 9 on Education Legal Entities. The existence of this education legal entity makes educational institutions free to seek capital to invest in educational activities. So that the world of education turns into a commercial investment land. This condition, in the view of sociology, will lead to interclass conflicts caused by the inequality of the community in accessing education. This study aims to describe the views of conflict theory regarding the phenomenon of privatization of education. The method used is the study of literature or literature by collecting secondary data from books, news and journal articles. The results of the study show that 1) the conflict theory view of education privatization can be viewed from the community analysis unit and the individual analysis unit; 2) At the level of the community unit of analysis, education privatization can be explained through Karl Marx's conflict theory and Weber's theory of power. 3) Marx's conflict theory emphasizes the two social classes formed due to differences in ownership of capital production factors. Meanwhile, according to Weber, the process of conflict is caused by the existence of authority or power that separates society into superordinate groups and subordinate groups. 4) At the individual unit of analysis level, conflicts due to education privatization can be viewed from Coser's conflict theory, where conflicts do not only have a negative impact, but also a positive impact on society.</td>
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<td>Revised: 25-06-2022</td>
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<td>Published: 30-09-2022</td>
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<td>Volume: 5</td>
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<td>Issue: 2</td>
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<td>DOI: <a href="https://doi.org/10.33019/berumpun.v4i2.83">https://doi.org/10.33019/berumpun.v4i2.83</a></td>
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<td>Privatization, education, conflict theory</td>
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1. INTRODUCTION
The weakening role of the state in public services is known as privatization. This is inseparable from the pressure of debt and government policies in the payment of foreign
debt. Based on data from Bank Indonesia, until February 2022, Indonesia's external debt (ULN) was recorded at 415.1 billion US dollars or IDR 6.364.7 trillion (Bank Indonesia, 2022) with the realization of external debt financing until January 2022 reaching IDR 3.039,4 billion (Ministry of Finance, 2022: 92). Indonesia's overall external debt amounted to 35-40% of the state budget. Meanwhile, in the Draft State Budget for Fiscal Year 2022, the education budget is allocated IDR 541.7 trillion or 20% of the state budget (Puslapdik, 2021). This figure shows that the budget absorbed for foreign debt financing is almost equivalent to the budget for education financing. This is one factor that encourages the privatization of education.

The privatization of education is legitimized through a number of regulations, such as in Law No. 20/2003 on the National Education System (Sisdiknas). Article 46 (1) states, "Education funding is the joint responsibility of the government, local governments and the community". Meanwhile, Article 53 (1) states that organizers and/or formal education units established by the government or the community are in the form of educational legal entities. Furthermore, Law No. 9/2009 on Education Legal Entities, Chapter VI, Article 40 paragraph (2) states, "Funding of formal education organized by education legal entities is the joint responsibility of the government, local governments and the community in accordance with the provisions of laws and regulations". Meanwhile, Article 41 paragraph (2) states, "The government, local governments and the community can provide educational resource assistance to education legal entities".

The existence of educational legal entities makes educational institutions free to seek capital to invest in educational activities. This means that the government has legalized the commercialization of education. The implementation of education that was originally the responsibility of the government was transferred to the private sector. Thus, schools can independently determine the cost of managing their own education. The world of education turned into a purely commercial and economic investment field. As a result, education became a luxury item beyond the reach of the lower classes. The cost of education from primary, secondary to tertiary levels is increasingly expensive and uncontrollable.

For example, the Al-Azhar Asy-Syarif Foundation of North Sumatra, on its official website, sets the total cost of Full Day Elementary School at Rp13,750,000 with details of construction endowment costs of Rp7 million, infaq / activities per year Rp1.5 million, digital technology per year Rp 500 thousand, uniforms of Rp1.8 million, book costs per year Rp2 million, and tuition fees and consumption of Rp950 thousand. Meanwhile, for the junior high school level, the total cost reaches Rp31.40 million with details of construction costs of Rp12 million, tuition fees of Rp9 million, activity costs per year of Rp2.5 million, uniform costs of Rp 2 million, digital technology costs per year of Rp1.5 million, book costs of Rp1 million and monthly fees of Rp3.4 million. As for the MA level, the total cost of education is Rp28 million with details of costs that are not much different from the cost of education at the junior high school level. Tuition fees for elementary school, middle school, high school.

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In addition, some major cities in Indonesia also have schools with high fees that are only affordable to the elite. For example, New Zealand School Jakarta, on its official website, sets the enrollment fee at Rp4 million for Early Years and Rp5 million for Primary and Secondary School. The tuition fee has three variations, namely Annual Plan, Half Year Plan and Termly Plan. The Annual Plan option costs IDR50.1 million for Pre-School, IDR87.6 million for Kindergarten, IDR201.5 million for Grade 1-6 and IDR205.5 million for Grade 7-9. Meanwhile, the tuition fee offered on the Half Year Plan option is IDR52.5 million for Pre-School, IDR91.9 million for Kindergarten, IDR209.5 million for Grade 1-6 and IDR213.7 million for Grade 7-9. The Termly Plan option costs Rp55.1 million for Pre-School, Rp96.5 million for Kindergarten, Rp217.5 million for Grade 1-6 and Rp221.9 million for Grade 7-9.²

Surabaya Intercultural School in Surabaya implements the American International Baccalaureate (IB) program and is listed as one of the most expensive schools in Indonesia. The levels of education offered at this school include kindergarten, elementary, junior high, and high school with a total capacity of 300 students. The cost required is approximately Rp260 million. This includes registration fees ranging from IDR2.7 million to IDR20 million and annual tuition fees ranging from IDR208 million to IDR262 million.³ Jakarta Intercultural School (JIS) is also a prestigious school that charges an enrollment fee of IDR496 million, an annual entrance fee of IDR22 million, a school development fee of IDR54.6 million, and an annual tuition fee of IDR419 million. In addition, there are additional costs associated with additional transportation costs and other educational activities amounting to Rp72.8 million.⁴

All of these expensive schools are of course equipped with very supportive facilities, so the quality is not in doubt. However, the high cost of education can only be enjoyed by a handful of upper middle-class groups. Thus, this will further widen the gap between the rich and the poor. Good quality education only belongs to people with ‘more money’. Meanwhile, for marginalized communities, the education they receive is only a makeshift education. The phrase ‘the important thing is to go to school, get a diploma, and get a job’, will be very familiar from these ‘marginalized’ communities.

When viewed from a sociological perspective, of course, the privatization of education will lead to conflict between classes. This conflict is based on unequal access to the community in enjoying existing resources, in this case related to educational resources. Indeed, according to conflict theory, a society will not always be in order and will often experience conflict. In fact, conflict is necessary for social change to occur. To see these changes, it is necessary to make a review of how the privatization of education in Indonesia from the perspective of conflict theory.

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⁴5 Most Expensive Schools in Indonesia, Total Tuition Fees Per Year Hundreds of Million Rupiah! (July 2021). Pintek. Accessed via https://pintek.id/blog/sekolah-termahal-di-indonesia/
2. Methodology
The research in this article uses a literature study method, in which the author traces data sourced from newspapers, books, journal articles, and other relevant literature. The author then uses a content analysis approach to describe how conflict theory views the phenomenon of education privatization. The reasoning model used is comparative, which compares the conflict theory analysis of education privatization in the individual unit of analysis with the societal unit of analysis.

3. RESULTS AND DISCUSSION
Cowan (1990) defines privatization as the transfer of functions, activities or organizations from the public to the private sector. According to Dwiyanto (1996), privatization is a transformation from a public mechanism to a market mechanism and then creates internal competition in public services. The competition aims to create healthy competition (win-win) for market players in order to provide quality and affordable goods and services for the community. Through competition, the public will benefit by choosing from the various options available and according to their needs. On the other hand, Savas (1987) defines privatization as a condition of reducing the intensity of the role of government or increasing the role of the private sector in the management or ownership of an asset.

Savas (1987) explains two reasons for the importance of privatization policy. First, the commercial reason, which is that government spending is one of the largest portions of the economy. Therefore, the government must firmly establish the ownership of specific companies and assets that can be managed by the private sector. Second, the populist rationale is that people have various alternatives in accessing public services. In this case, privatization of education is part of a program to reduce and eliminate subsidies by the government in terms of public services in the field of education and provide freedom to the market to determine the mechanism and determination of operational costs.

Conflict theory in general tries to provide criticism of functional structuralism, which believes that society and organizations play their respective roles in the same way as organs in a living body. In The Structure of Sociological Theory, Turner (1998) provides an overview of the birth of conflict theory led by three figures, namely Karl Marx, Max Weber, and Georg Simmel. Each of these figures compiled different propositions about the incidence of conflict and its unit of analysis.

According to Turner (1998), the propositions set out in Marx's conflict theory emphasize the process of conflict based on unequal access to resources. This inequality then creates groups that position themselves as ordinate (dominance) on the one hand, and subordinate (marginalized) on the other. Those who are subordinated will become concerned about their collective interests over the dominance of the ordinate group by questioning the pattern of unequal distribution of natural resources. The result is the breakdown of the relationship between the ordinate group and the subordinate group due to the alternative disposition created by the ordinate group towards the subordinate group. Under these conditions, subordinate groups build ideological unity to question the ongoing system and "fight back" through collective leadership against the ordinate group. This then causes a prolonged polarization between the ordinate group and the subordinate group.
In general, the social conflict paradigm developed by Karl Marx is based on two assumptions, namely: (1) economic activity as the main determinant of all community activities, and (2) seeing human society from the angle of conflict throughout its history. Marx, in his Historical Materialism, included economic determinism as a structural basis that in the process of social relations in the body of society would lead to conflict between the upper and lower classes. In summary, there are at least four things that are important in understanding Marx's theory of social conflict, namely competition over scarce resources; structural inequality (in terms of power); the existence of individuals/groups who want to fight to achieve revolution; and social change that occurs as a result of the conflict of competing desires (Puspitawati, 2009: 23).

In contrast to Marx, Weber’s analysis (Turner, 1998) emphasizes his conflict theory in the perspective of ideological superstructure. He built several propositions in the process of conflict between superordinates and subordinates. First, conflict between superordinates and subordinates is possible when there is a pull from political authority. Second, the high pull of political authority can occur through membership in classes, status groups, and political hierarchies. In addition, it can also occur through inequality in the distribution of resources with high social hierarchy and on the basis of power, prestige and wealth. The third proposition is that conflict between superordinates and subordinates may occur through charismatic leadership that can politicize subordinates. Furthermore, through the charismatic leadership, conflict is successfully achieved by strong pressure on the old authority, resulting in a new system related to roles and administration. Finally, the system with the authority of roles and administration that is formed, again there is a pull that continues to repeat itself.

If you pay attention, the unit of analysis of Marx and Weber’s conflict theory focuses on the societal dimension. This is different from Simmel’s conflict theory unit of analysis, which is focused on the individual dimension. According to Simmel (in Ritzer and Goodman, 2003), the main task of sociology is to understand the interactions between individuals that can give birth to conflict and solidarity between people. Therefore, the propositions built by Simmel tend to see conflict events due to interactions between individuals who have "emotional strength" which then builds bonds of solidarity between people.

In addition to the three heirs of conflict theory, there are two figures who are quite influential in developing conflict theory, namely Ralf Dahrendorf and Lewis Coser. Dahrendorf is the heir to Marx and Weber’s conflict theory, so his unit of conflict analysis is centered on society as a whole social system. According to Dahrendorf, society has two faces, namely conflict and consensus. Conflict here means that there is a conflict of interests and uses of society that binds society together in the face of that pressure. While the consensus side arises when the community integrates due to the conflict experienced. From this idea of conflict and consensus, Dahrendorf argues that certain positions in society delegate power and authority to other positions. Therefore, the central thesis of Dahrendorf’s conflict theory is that differences in the distribution of authority "are always a factor that determines systematic social conflict" (Ritzer and Goodman, 2003). Or in other words, different social structures within society will determine the quality of authority that certain layers have over
other layers. Thus, implicitly, authority states the superordinates and subordinates that exist in society, just like the studies discussed by Karl Marx.

In contrast to Dahrendorf, Coser is an heir to Simmel’s theory who analyzes conflict within individual units. According to Coser, conflict can help strengthen the bonds of loosely structured groups. Conflict with one group can help create cohesion through alliances with other groups. In a society, conflict can trigger isolated individuals to take an active role and the conflict can activate the communication function (Ritzer and Goodman, 2003).

Based on this description, studies on conflict theory can be grouped into two different units of analysis. First, the unit of analysis of society pioneered by Karl Marx, Max Weber and Dahrendorf. Second, the individual unit of analysis pioneered by Georg Simmel and Lewis Coser. The following chart illustrates the theoretical studies pioneered by the figures described above.

**Chart 1 Variety of Conflict Theories**

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Heir to Conflict Theory

Karl Marx
Unit of analysis: material infrastructure society

Max Weber
Unit of analysis: ideological superstructure society

George Simmel
Unit of analysis: the individual

Dahrendorf
Unit of analysis: society Dialectical theory (consensus & conflict) authority, group, & conflict

Lewis A. Coser
Unit of analysis: the individual conflict can strengthen group bonds, create cohesion and help communication function authority,
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(Turner, 1998)

Therefore, this study will discuss the privatization of education in terms of conflict theory in the unit of analysis of society and the unit of analysis of individuals.

**Education in the Light of Conflict Theory**

Samuel Bowles and Herbert Gintis are Marxist economists who analyzed the purpose of schooling in American society through their book Schooling in Capitalist America: Educational Reform and the Contradictions of Economic Life (1976). Bowles and Gintis (1976) put forward the "principle of conformity" which explains how the internal organization of education corresponds to the internal organization of capitalism in terms of
its structure, rules, and values. For example, the hierarchical system in schools reflects the structure of the labor market, with the principal as the director who governs the organization and students as the lowest part of the hierarchy, equivalent to the working class. Wearing uniforms and being disciplined are obligatory among students as the working class, just as they are customary in the workplace for low-level workers. Education teaches knowledge of how students interact in the workplace and provides immediate preparation for them to enter the labor market.

Thus, education is actually a means to perpetuate the domination or direct reproduction of capitalist society in order to keep the system in place (Bowles & Gintis, 1976). Education is used by the bourgeoisie to control the labor force. It thus produces inequality and rejects the notion that schools provide equal opportunities for all.

A conflict theorist who also highlights the field of education is Louis Althusser, whose analysis is in line with Bowles and Gintis, namely that education aims to maintain and strengthen capitalist production relations in the form of relations of exploitation. However, here, Althusser views education more as an apparatus of the state in capitalist society. In traditional conflict theory, state equipment is divided into two: state equipment that plays a repressive role and ideological equipment. Education belongs to the ideological apparatus of the state that continuously shapes the consciousness of citizens to the same as the consciousness of the ruling class that has hegemony.

Privatization of Education in the Light of Societal Conflict Theory
In the conflict theory unit of analysis of society, we can look at the privatization of education from two fields, namely the economic field influenced by Marx and the political field influenced by Weber. Actually, both Karl Marx and Max Weber reviewed the conflict that occurs between two social classes in society. However, Marx's conflict theory emphasizes more on the two social classes formed due to differences in ownership of capital production factors. Meanwhile, Weber's conflict theory emphasizes more on social classes formed due to differences in power (authority) possessed.

When viewed from Karl Marx's theory of conflict, the privatization of education in Indonesia began with inequality of access to educational resources. This inequality of access to education is caused by differences in ownership of capital in the form of money. This difference divides society into two large groups: those who have easy access to education and those who have difficulty accessing education. The first group, in Marx's language, is referred to as the bourgeoisie or superordinate group, while the second group is referred to as the proletariat or subordinate group.

The management of educational institutions by the private sector has given the bourgeoisie (superordinate), as the owners of capital, the opportunity to invest and transform education into 'expensive merchandise'. As 'luxury goods', capitalist education products are packaged in attractive forms and offer the best facilities to attract many consumers. So that this luxury and quality education can only be accessed by a small group of people who also have 'capital', namely the superordinate group. Meanwhile, the subordinate group or the proletariat, who have little capital, can only access a modest education with limited facilities and low quality. Thus, there is a very wide gap between the
bourgeoisie and the proletariat in terms of opportunities to access education. This social gap will lead to the domination of the bourgeoisie over the proletariat.

Therefore, this subordinated group of people will become concerned about their collective interests over the domination of the superordinate group by questioning the unequal distribution pattern of education. Under these conditions, the subordinate group (education proletariat) builds ideological unity to question the ongoing system and "fight back" through collective leadership against the superordinate group (education bourgeoisie). This then causes prolonged polarization between the superordinate group and the subordinate group which leads to conflict.

Based on Karl Marx's social conflict paradigm, the conflict process occurs through four stages. First, people begin to compete to access scarce education due to differences in capital ownership. Second, due to inequality in access to education, the structure of society is divided into two social groups, namely the educational proletariat and the educational bourgeoisie. Thirdly, individuals/groups from the education proletariat (subordinate) class emerge who strive to achieve a revolution for equal access to education through demonstrations. Fourth, there is a conflict between the education bourgeoisie and the education proletariat due to differences in interests. This conflict will continue until social change occurs in accordance with the will of the education proletariat. Furthermore, when social change occurs, this conflict will return to the initial stage.

In Max Weber's theoretical review, the process of conflict is caused by the existence of authority or power that separates society into two large groups, namely the superordinate group and the subordinate group. John Dewey (in Freire, 1999) argues that authority or power is the core of politics to manage people's affairs, while education is an effort to free the people. The terms politics and education are a unity that cannot be separated in real life. Because, according to John Dewey, politics is education and education is politics itself.

In Indonesia, politics and education have an inseparable relationship. One of them is through the privatization of education. Politics influences the privatization of education through various policies that legalize the management of education by the private sector, for example through Law No. 20/2003 on the National Education System. The articles in the law explicitly attempt to "divide" the government's responsibility for education to the community.

With this legal umbrella, politics has used its power to further elevate the role of the capitalist group (or superordinate in Weber's language) and will further marginalize the proletariat (subordinate). The authority possessed by the rulers triggers conflict between the two groups. In this case, the state has let go of its hand in advancing the national education system by handing over responsibility to the market. On the other hand, of course, the market system will try to reap the maximum profit from consumers.

Consensus on Privatization of Education

In Dahrendorf's conflict theory, society has two faces, namely conflict and consensus. Conflict means that there are interests and uses of society that bind society together in the face of that pressure. Meanwhile, consensus arises when society integrates as a result of the conflict experienced. From this idea of conflict and consensus, Dahrendorf argues that certain
positions in society delegate power and authority to other positions. Therefore, the central thesis of Dahrendorf’s conflict theory is that differences in the distribution of authority "are always a factor that determines systematic social conflict" (Ritzer and Goodman, 2003).

In terms of education privatization, in addition to causing conflict, privatization is also able to create consensus, both within the superordinate group and the subordinate group. The superordinate group consisting of various private education management institutions will try to improve the quality of education services as well as possible, for example by implementing international standard curricula. In addition, private education managers will be oriented towards customer satisfaction by improving various facilities that support the comfort of teaching and learning in the classroom. For example, various schools are currently promoting air-conditioned school facilities, multimedia equipment, CCTV, catering and other services that attract consumers. These facilities are not only an attraction, but also one of the factors that legalize expensive 'education tariffs' on the grounds of quality and services that promise quality.

This consensus does not only occur among superordinate groups, but also grows among subordinate groups. The privatization of education that limits access to education for marginalized communities will certainly unite subordinate communities. This unification is reflected in the form of their understanding of education that education is just that. The slogan ‘the important thing is to go to school’ or ‘the important thing is to have a diploma’ is the basis of this marginalized community consensus. The reason is that these community groups understand education as one of the requirements for finding work, so they will achieve the minimum education possible in order to be accepted for work.

On the other hand, the consensus reached in marginalized communities is the emergence of a common suffering over difficulties in accessing education. So, they began to equalize their thoughts to carry out social actions so that the government fulfills their demands for educational equality.

Privatization of Education in the Light of Individual Conflict Theory
Conflict in society, according to Coser, can be functional, which not only has a negative impact, but also has a positive impact. It is positively functional if the conflict is able to strengthen both individuals, groups and society, otherwise it is negatively functional if the conflict destroys individuals, groups or society. In this case, the privatization of education has several negative impacts on society. For example, without a clear agenda and strategic policy tools, privatization of education will only become a movement of commercialization of education that distorts the noble goals of education. Without clear regulations and real social ethics, privatization of education can cause serious social harm. The dangers of privatizing education can lead to conflicts that are more individual in nature. For example, privatization of education can lead to discrimination between highly educated and less educated individuals. These two individuals who have differences in education will get different treatment from society, both attitudinal treatment and verbal treatment. In addition, privatization of education will also label certain schools as ‘luxurious’. For example, in school A, which is labeled 'luxury', all students use private cars to go to school, so there is a feeling of wanting to be considered the richest and a culture of showing off (flexing). When
this happens, education, which should instill a culture of tolerance, instead instills a culture of intolerance and consumptiveness. Schools are used as a place to show off parents’ wealth and as a place that nurtures consumptive behavior.

In addition to the negative impacts above, the conflicts caused by privatization of education can also have positive impacts. One of them is to ease the burden on the government in financing education, so that the available budget can be used to finance other more pressing areas. In addition, privatization of education can also provide a great opportunity for the community to participate in educating the nation. The level of participation and the spirit of competition as a result of privatization can encourage educational institutions to be oriented towards customer satisfaction, so that they always maintain the quality of the curriculum, visitor facilities and the ability of educators. This condition can be a driving factor for the teaching and learning process and the intelligence of the nation's children (Edy Suharto, 2004).

4. CONCLUSION

Based on the description above, the study of education privatization from the perspective of conflict theory can be grouped into two different units of analysis. First, the unit of analysis of society in terms of Karl Marx’s theory of conflict and Max Weber’s theory of power. Where, the conflict arising from the privatization of education is mainly caused by the ownership of capital in the form of money in the economic field and the ownership of power in the political field. Second, individual units of analysis that can be viewed from functional conflict according to Lewis A. Coser. Where, the conflict caused by privatization of education is seen as having positive and negative functions. For example, a positive function in forming a more competitive individual and a negative function in fostering consumptive and flexing individual behavior. Thus, the privatization of education requires strengthening in terms of management and requires the role of government authority in establishing regulations regarding privatization of education so that the private sector does not dominate cost autonomy. In addition, individuals who experience discrimination need to reach a consensus in order to minimize the gap between groups with different access to education.

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