Inclusive development in Indonesian higher education reform post-1997

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Abstract

Within the international development community, development has recently been re-conceptualised beyond a “primarily economic process”, to a more inclusive approach emphasising “the achievement of equity and the rights of citizenship” (Hickey 2013, 3). Meanwhile, a global trend towards massification of higher education (HE) has resulted in heightened demands for fair access to HE, often associated with human capability and social justice arguments for education. The aim of this paper is to examine whether these two trends have resulted in a more inclusive development agenda in Indonesian HE, especially given the diverse and in some ways more pluralistic political climate of the post-Suharto era. The presence of an inclusive development agenda in Indonesian HE is examined specifically in relation to fair access to HE for students from lower socio-economic backgrounds and from under-developed regions. Using qualitative content analysis of five recent items of legislation, fair access to HE is assessed using the three criteria of accessibility, availability and horizontality (McCowan 2016). I argue that there has been an increasingly pro-inclusive development discourse as evidenced in the dominance of pancasila and human capability arguments in the face of gradual erosion of neoliberal arguments. Finally, the paper draws attention to the need to examine policies in practice before we can draw any real conclusions about concrete achievements in fair access to HE. This is because institutional behaviour, social values as well as broader structural inequalities play a key role in ‘negotiating’ the ‘order’ (Barrett 2004) of the HE policy domain.

Key words: fair access to higher education; inclusive development; pancasila; neoliberalism
Introduction

Inclusive Development as the new mainstream?

Within the international development community, development has recently been re-conceptualised in inclusive terms. What this means is that political scientists have broadened their focus beyond a narrow definition of development as a “primarily economic process”, to “one with an integral focus on the achievement of equity and the rights of citizenship” (Hickey 2013, 3). For instance, the Centre for Effective States and Inclusive Development (ESID) defines inclusive development as occurring: “…when social and material benefits are equitably distributed across divides within societies (across income groups, genders, ethnicities, regions, religious groups and others).” (Hickey 2013, 3, footnote 1). They further stress that such social and material benefits include “enhanced wellbeing and capabilities” and “widely experienced social and political empowerment” (Hickey 2013, 3, footnote 1).

This reconceptualisation of development in more inclusive terms would appear to build on the argument for a human capability approach to development first put forward by Amartya Sen in his work Development as Freedom (Sen 1999). Arguing from the perspective of developing countries, Sen has advocated an approach to development that moves beyond purely economic measures such as income. The focus instead, he argues, should be to enable citizens’ capability to pursue freedoms that enhance their material and social well-being, with an emphasis on their capacity to participate in democratic discussion over those decisions about what kind of development is desirable. Nevertheless, economic gains are not rendered entirely irrelevant in this approach. The point that Sen makes is that the more extrinsically understood human capital arguments are often complementary, rather than contradictory to the more intrinsically understood human capability arguments for development (1999, 293-5).

This discourse surrounding the question of what kind of development and development for whom seems particularly relevant to the post-Suharto political landscape of Indonesia, where a diversity of social and political movements continues to shape the development agenda. There is a rich body of literature examining the political, religious and cultural ramifications of the transition from the ‘iron cage’ of Suharto’s New Order regime (Anderson 1990) to the ‘fluid iron’ (Day 2007) of the decentralised and dynamic post-Suharto era. Scholars have observed recontestations of power from a variety of groups that we might call – in public policy terms - ‘advocacy coalitions’ (Sabatier 1999, 4-5). These are coalitions driving the issues of their particular interest group or political base. For instance, Davidson and Henley (2007) have highlighted the revival of customary law (adat) as a tool for empowerment among indigenous groups, while Sidel (2006) has investigated politicisation of religious and educational networks, even for violent ends. In the political arena of the central government, Mietzner (2003) has exposed the resurgence of the military as a political force, while others have illustrated the endurance of Suharto-era politico-business elites (Slater 2004; Robison and Hadiz 2004). In sum, we can view the contemporary political landscape in Indonesia as a “confluence, or competition, of obstructive and progressive elements” (Von Luebke, 2011, 2).
What, then, might the implications of this diverse political climate be for a pro-inclusive development agenda in Indonesia? Does it suggest an enhanced scope for previously under-represented groups to push their agenda and (re)define the terms of development? Alternatively, does the development agenda merely become biased towards those groups most successful at maintaining their heads above the rest in the constant political tug-of-war? Are the advocacy coalitions so diverse that only an incoherent mess of conflicting development goals emerges, inclusive in some ways but discriminatory in others? These are questions that have been taken up by scholars of Indonesia in the context of local governance reform (Von Luebke 2011), land reform and mining in protected forests (Rosser, Roesad and Edwin 2004), and in education (Rosser and Joshi 2013; Rosser 2015). This paper attempts to explore such questions in the context of the Indonesian higher education (HE) system, specifically in relation to demands for fair access to HE for students from lower socio-economic backgrounds and under-developed regions of the archipelago. In doing so, this paper takes as its implicit assumption that pro-inclusive development policies are of particular value to education systems, and that assessing the extent of fair access to HE is therefore a worthwhile task.

Demands for fair access to HE

The question of fair access to HE not only reflects my interest in exploring the reach of pro-inclusive development policies in education, but also reflects a topical theme in the field of comparative education more generally. Hence, a second global trend addressed in this paper is one that relates specifically to HE, namely demands for fair access to HE in recently massified contexts. In the 20th century, HE participation has witnessed a global trend of expansion in a variety of political and economic development contexts, and the global Gross Tertiary Enrolment Rate (GTER) stands at about a third of the age cohort (Marginson 2016). Referring to UNESCO data from 2013, which depict a 20% growth rate in the GTER over the past two decades, Marginson (2016a) predicts that global HE participation will reach GTER levels of 50% within the coming generation. Expansion does not, however, automatically entail fair access to HE. As previously elite HE systems worldwide make the transition to massified systems, important questions arise such as who should fund HE, and how do we judge whether participation in HE is fair (Unterhalter and Carpentier 2010; Meyer et al 2013).

These questions are inextricably linked to a debate on the very purpose of HE. Competing definitions of HE in terms of its extrinsic, utilitarian value or its intrinsic, transformational value reflect an “ideological struggle” taking place in the field of education (D’Andrea 2007). Is mass participation in HE desirable simply because it serves an economic need (providing qualified labour for particular industries), or should education and knowledge be of intrinsic value even in massified systems? For instance, could the purpose of HE be to support values of tolerance and democratic citizenship as well? (McCowan et al., 2016) These contrasting viewpoints mirror the discussion on inclusive development above, where competing perspectives of development either restrict it to a notion of human capital or extend it include human capabilities working more broadly toward a just society.

There is also an accompanying debate globally on what constitutes the most appropriate strategy to achieve the purpose of HE. Marketisation strategies are often hailed as appropriate for creating systems capable of responding to labour market needs (Santiago et al 2008). Meanwhile, interventionist or state-steering models tend to be associated with
social justice education policies, such as the California Master Plan (Marginson 2016 b). A further example would be the 1997 HE reform in South Africa (1997 White Paper, A Programme for the Transformation of Higher Education) which made use of university mergers, student quotas and programme restrictions to redress historical racial inequalities in post-Apartheid South Africa.

Rajani Naidoo (2011) has pointed out the particular relevance of these debates mentioned above to the context of low-income countries. Gains made in universal participation in the primary and secondary sectors over the past two and half decades means that the attention of governments in developing countries has now turned to HE systems, which are frequently pitched as “powerhouses of development” (Naidoo 2011, 7). The fact that HE systems are harnessed for the purpose of economic prosperity as well as for the pursuit of social justice development goals such as gender parity is therefore characteristic of low and middle income (LMI) countries (Naidoo 2011; Manuh et al 2007; McCowan and Schendel 2016).

In the context of Indonesia, it would appear that HE is recognised as a necessary tool to support national development both in terms of economic and social justice goals. In economic terms, priorities in national development include innovation, business, and Research & Development (R&D). The Joko Widodo-Jusuf Kalla administration has expressed particular interest in mobilising Indonesian talent in the areas of infrastructure (Sambijantoro, July 16 2015), food security (The Jakarta Post, January 13 2015), as well as water and energy sectors (Ministry of Research and Technology 2014). At the same time, education is further understood as a tool for strengthening social cohesion in a country where prosperity and living standards are unequally distributed, especially along regional lines. An example of this is the fact that HE is governed by very public good-oriented notions of education, research and community service in what are known as the Tri-dharma principles. Yet a recent study using Indonesian household survey (SUSENAS) data established that socio-economic status remains the primary determinant of participation in HE, with further barriers to access emerging when this intersects with geographic origin, rurality and gender (Gao 2015, 94-5). The Gross Enrolment Ratio (GER) at the tertiary level as measured in 2012 was markedly stratified, ranging from around 38% for the richest consumption quintile, to 2-3 % for the poorest quintile (Gao 2015, 87). Currently, it seems evident that expansion in HE participation has been restricted to students from higher socio-economic groups, which suggests that serious obstacles remain in place for students from disadvantaged backgrounds.

Before entering a detailed discussion on the reach of pro-inclusive development policies in post-1997 Indonesian HE reforms, it is necessary at this point to first establish a working definition of fair access to HE. Given the degree of debate surrounding the purpose of HE and the diversity of the actors involved – the government, the public and private HE sectors, students and their families – a definition of fair access would appear to be inherently problematic. Nonetheless, a helpful set of criteria has been put forward by McCowan (2016) to assess a universally applicable notion of fair access to HE which comprises:

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1 Under the administration of President Joko Widodo (2004 – present), this ministry has now been merged with the former Directorate General of Higher Education to form the Ministry of Research, Technology and Higher Education.
1. **Accessibility** (i.e. are the procedures for entering and accessing HE fair)
2. **Availability** (i.e. are there sufficient places in HE institutions proportionate to the age cohort)
3. **Horizontality** (i.e. is there consistent quality across HE institutions rather than stratification of quality)

It is the third element of horizontality that is particularly pertinent to modern HE systems, which are characterised by varying degrees of market entry and hence more prone to stratification of quality. This is especially true in LMI contexts, where the expansion of the private sector has often gone a long way to address the problem of availability, without solving the dilemma of equal opportunity to *equally high quality* HE. A case in point is the expansion of HE in Indonesia. Gao’s study (2015) has demonstrated that among the three bottom consumption quintiles, the trend is for students to enrol in private HEIs and on shorter Diploma I to III level programmes, which disadvantages them in two ways compared to their wealthier peers. Firstly, there is a lower proportion of good quality HEIs in the private sector, meaning that students are less likely to attend a good quality university. Secondly, rates of return once entering the labour market are lower for graduates of Diploma I – III programmes, meaning that participation in HE is not yielding equally high financial gains (Gao 2015, 100). However, the implications of this trend for human capability opportunities remains underexplored, meaning that it is difficult to draw any conclusions at this point on whether these students from lower SEC quintiles are further disadvantaged in *non-material* terms.

**Aim of the research**

The aim of this paper is to evaluate to what extent the post-1997 HE reforms in Indonesia have reflected a pro-inclusive development policy. The two specific questions guiding the analysis are:

a) To what extent do the HE reform mechanisms (e.g. budgetary allocations, provision of scholarships, use of quotas for certain institution types) support fair access to HE in terms of accessibility, availability and horizontality?

a) What are the value judgements behind these reforms?

The analysis is restricted to five items of legislation since 1997, namely the Government Regulation on the Implementation of State Universities as Corporate Bodies (PP 61/1999), the National Education System Law (UU 20/2003), the Teachers and Lecturers Law (UU 14/2005), the Educational Corporate Body Law (UU 9/2009) and the Higher Education Law (UU 12/2012). These reforms (shaded) are listed alongside additional legislation (unshaded) in Table 1 overleaf, in order to allow a chronological contextualisation of their role in the post-1997 reform process.

The method of data analysis is qualitative content analysis. This method was chosen to enable a systematic, quantitative analysis that captures features such as frequency and co-occurrence of themes on the one hand, while at the same time allowing for a more nuanced analysis of ‘latent and context-dependent meaning (Schreier 2014, 173, cited in Merriam and Tisdell 2016, 179). For example, the occurrence of the word development can be analysed in relation to discourses on inclusive development, the state ideology *pancasila* as well as neoliberal principles of governance.
A further aim of the paper is to initiate a discussion on how these HE reforms play out in practice. The paper will include (limited) preliminary evidence from pilot interviews\(^2\) from the perspective of lecturers at state universities in Indonesia, some insights from scholars of Indonesian HE, as well as some anecdotal evidence that might suggest future research directions.\(^3\)

The paper is organised in the following way. In the first section, I will argue that policy is best understood as text, discourse and negotiated order. I will also give some background to the HE reforms included in the analysis, in this way setting some parameters and context for the detailed discussions that follow. In the second part, I will assess the extent to which the mechanisms of the reforms support fair access to HE in terms of accessibility, availability and horizontality, and in the third section, I will turn to an exploration of the value judgements inherent in the overall policy discourse of the reforms. In these sections, I will demonstrate that fair access in terms of horizontality has been increasingly addressed alongside a foregrounding of pancasila and human capability arguments, while neoliberal principles and marketisation strategies have been gradually downplayed or even abandoned. The final section turns to a deliberately introductory discussion on policy as negotiated order, highlighting areas of divergence and even contradiction between policy aims and institutional practice.

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\(^2\) Oral consent was obtained to conduct semi-structured interviews via telephone with an opportunistic sample of early/mid career lecturers at different state universities across the archipelago. Although the interview rubrics address broader themes of accountability, quality and equity, the interviews include information relevant to the specific discussion on fair access to HE in this paper. The discussion of interview data in this paper is limited to two such interviews.

\(^3\) The purpose of this discussion is also to inform the subsequent data collection phase of the author’s doctoral research project, of which this current paper forms a part.
### Table 1: Selected Indonesian education reforms 1999 – present*

<table>
<thead>
<tr>
<th>Legislation</th>
<th>English translation</th>
<th>Key features</th>
</tr>
</thead>
<tbody>
<tr>
<td>PerMenDikBud 5 5 2013</td>
<td>Ministerial Regulation on Tuition Fees and Expenses at State Universities under the Ministry of Culture and Education</td>
<td>Introduced standardised tuition fee rates at state universities to curb fees hikes</td>
</tr>
<tr>
<td>UU 1 2 2012</td>
<td>Higher Education Law</td>
<td>Signalled a return to state-steering mechanisms for HE provision Emphasised improved monitoring and evaluation through e.g. data collection, accreditation and accountability mechanisms</td>
</tr>
<tr>
<td>PP 1 7 2010</td>
<td>Government Regulation on Management and Governance of Education</td>
<td>Provided details for education management and governance (establishing, governing and monitoring an educational body) Outlined clear policymaking powers for the state, including setting equal access targets nationally and regionally</td>
</tr>
<tr>
<td>UU 9 2009</td>
<td>Educational Corporate Body Law</td>
<td>Introduced Educational Corporate Body status to all schools and universities, thus opening up the education system to marketization on a large scale</td>
</tr>
<tr>
<td>PerMenDikBud 28 2006</td>
<td>Ministerial Regulation on Procedures for the Implementation of ‘State-owned corporate body’ universities in the Transition Period</td>
<td>Interim guidelines on implementing ECB status for universities, pending a separate law</td>
</tr>
<tr>
<td>UU 14 2005</td>
<td>Teachers and Lecturers Law</td>
<td>Aimed to professionalize the teaching force via the certification programme, but also retained civil servant status of teachers and academics at state institutions</td>
</tr>
<tr>
<td>UU 20 2003</td>
<td>National Education System Law</td>
<td>Decentralised management of education Committed state funding for basic education provision (20% of state budget annually) Article 53 previewed ‘educational corporate body’ status for all schools and universities in Indonesia pending a separate law</td>
</tr>
<tr>
<td>PP 61 1999</td>
<td>Government Regulation on the Implementation of State Universities as Corporate Bodies</td>
<td>Introduced autonomous ‘educational corporate body’ status to four elite state universities, transferring financial and academic autonomy</td>
</tr>
</tbody>
</table>

*This list is not exhaustive, but the reforms most relevant to HE are presented here

*PP = peraturan pemerintah  UU = undang-undang  PerMenDikBuk = peraturan menteri pendidikan dan kebudayaan
Indonesian HE reform post-1997: concepts and context

This section begins by establishing some general concepts underpinning education policy, in other words by defining what I assume it is possible to know through examining HE reform, and how it might be helpful to frame HE reform actors (the government, policymakers, university management, other university practitioners and advocacy coalitions). Following this, I provide a brief overview of the demographic, economic and political context for the five major HE reforms under study here, demonstrating how they are located within broader trends of decentralisation in the post-Suharto Reformasi era.

Policy as text, discourse and negotiated order

The first argument relates to how policy should be approached at the textual, or content level. Here I agree with Ball’s (1993) conceptualisation of policy as text whereby a policy does not simply “enter a social or institutional vacuum”, and it may even enter “existing patterns of inequality” (Ball 1993, 11) that can shape its outcomes in very different ways. In Ball’s view, policy as text inherently involves some form of action as well, and these actions are not free from power relationships. Drawing on insights from Offe (1984), he reminds us that reforms and legislation - or ‘policy output’ - reflect existing social conflicts that become manifest in state-mediated or state-regulated legislative contestations (Offe 1984, 106, cited in Ball 1993, 13). Therefore, I make the assumption that an analysis of the HE reforms in post-Suharto Indonesia will reveal not a single but a complex and possibly conflicting notion of inclusive development and fair access to HE, for the reason that policy as text inherently mirrors broader social tensions and induces diverse policy actions.

The second argument relates to an understanding of policy as discourse, whereby the meaning of a policy is explored beyond its material content. Ball maintains that “We need to appreciate the way in which policy ensembles, collections of related policies, exercise power through a production of ‘truth’ and ‘knowledge’, as discourses.” (Ball 1993, 14). Adopting this view implies that an analysis of single policies in isolation will inevitably render an incomplete picture. Instead, it becomes necessary to examine the accumulative effects of policies holistically. In other words, the task becomes one of identifying both the overarching policy discourse or “truths” that are promulgated in a reform process, and at the same time identifying any “possibilities of thinking otherwise” (Ball 1993, 15) that may be silenced as a result.

The third argument relates to how we might begin to frame policy actors, given that I have established the significance of policy action, social conflict and discourses of power in the reform process. Here I draw on the public policy insights of Barrett and Fudge (1981), which have challenged the notion of policy action as a simplistic centre-periphery execution of policy. Instead, the policy implementation literature has called for a reconceptualization of policy as “negotiated order” between policy actors, who act to “protect or pursue their own values and interests” (Barrett 2004, 253). In this view, diverse policy actions are not an anomaly, but rather an essential element of the public policy reform process itself. Policy actors are motivated by material and non-material ‘values and interests’, which could entail both private, personal human capital arguments as well as public, collective social justice ones.
Overview of the post-1997 reforms: demographic, economic and political context

The reforms studied here in part reflect the need for a policy response to the trend of massification. Enrolments in HE began increasing already from the 1980s onwards (Hill and Wie 2013, 161), but experienced exceptionally high growth from the 1990s onwards; while there were fewer than a million enrolments pre-1990 (Welch 2007, 669), by the mid-2000s this had reached over 2.5 million (Susanti 2011, 211). The most recent data from the Ministry of Research and Technology and Higher Education place the figure at just below 5 million (Pangkalan Data Dikti [Higher Education Database], 2016a). A growing private sector has absorbed most of this expansion, and indeed accounts for roughly 60% of current HE enrolments, and 90% of HEIs (Pangkalan Data Dikti [Higher Education Database], 2016b).

Reasons put forward for this expansion include demographic and economic ones. Improved graduation rates at the secondary level meant there was a growing pool of potential HE students, while economic development gave rise to heightened demand for skilled graduates in the labour market (Hill and Wie 2013). Marginson’s (2016a) analysis of HE expansion in other country contexts suggests that social attitudes to education and the non-material value of HE also represent a strong force in the expansion process. Whatever the reasons for this expansion, in any case HE enrolments particularly in the private sector were clearly undergoing rapid expansion in the mid-1990s in Indonesia, and this created a need for the central government to regulate the growing private sector and set some clear policy directions for a changing HE landscape.

The HE reforms are also linked to several broader political trends, namely decentralisation of governance, semi-marketisation of the economy, and the introduction of accountability mechanisms in the provision of public services. Robison and Hadiz (2005) maintain that these overarching reforms reveal an IMF/World Bank coalition agenda to forge a regulatory liberal state in Indonesia in the immediate aftermath of the fall of the Suharto military government. In addition to this economic liberalisation, the reforms arguably aimed to create a HE system less subservient to a centralised, bureaucratic polity. In other words, steps toward autonomy and concomitant freedoms from central government intervention can be viewed as attempts to remove the “ideological baggage” of the New Order period (1965–1997) (Heryanto 2005). The military regime of the New Order period was characterised by a Javanese and militaristic inspired form of technocracy that Heryanto (2005) terms developmentalism, representing a single national political and research agenda. As a result, academic culture was characterised by subservience to state ideology at the expense of academic freedom and academic rigour. Reductions in state intervention – whether for social justice aims or otherwise - might therefore be viewed in an empowering rather than neglectful light in this context.

To date, the 1999, 2003 and 2009 reforms have been debated to a large extent in terms of the demerits of privatisation/neoliberalisation. Such accounts have criticised the BHP reforms in particular by highlighting either ideological arguments against privatisation (Nugroho 2002; Darmaningtias, Subkhan and Fahmi-Panimbang 2009), or consequential arguments – for example pointing to difficulties in implementing the reforms or subsequent university practices that undermined improvement objectives of the reforms (Welch 2007;
Welch 2011; Susanti 2011). Both the accessibility and horizontality elements of fair access to HE feature in this debate, while less attention has been paid to availability.

**Fair access to HE: accessibility, availability and horizontality in the reforms**

Through an analysis of the five reforms, I will demonstrate that there has been an increasing focus on the horizontality element of fair access to HE as marketization strategies have eventually been overtaken by state-steering mechanisms that support fair access to HE. The prevalence of mechanisms supporting accessibility, availability and horizontality in fair access to HE are summarised in Table 2 below.

**Table 2: Accessibility, availability and horizontality of fair access in Indonesian HE reforms**

<table>
<thead>
<tr>
<th>Legislation</th>
<th>Accessibility</th>
<th>Availability</th>
<th>Horizontality</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Government Regulation on the Implementation of State Universities as Corporate Bodies (PP 61/1999)</td>
<td></td>
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<tr>
<td>The National Education System Law (UU 20/2003)</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>The Teachers and Lecturers Law (UU 14/2005)</td>
<td></td>
<td></td>
<td>✓</td>
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<tr>
<td>The Educational Corporate Body Law (UU 9/2009)</td>
<td>✓</td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Higher Education Law (UU 12/2012)</td>
<td>✓</td>
<td>✓</td>
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</table>

The Government Regulation on the Implementation of State Universities as Corporate Bodies (PP 61/1999)

This regulation introduced a major break in Indonesian HE policy for the reason that it introduced an entirely new autonomous status for certain state universities. This ‘educational corporate body’ (*badan hukum pendidikan*) status includes autonomy over academic, management and financial affairs, although the relevant minister\(^5\) still retains a degree of control and acts as the executive authority that the universities report to. The primary justification given for this reform was the need to respond to increased competition caused by globalisation, and hence to use state universities for enhancing national competitiveness. (PP 61/1999, Considerations).

Overall, this reform did not address policy concerns of fair access to HE, and may indeed have even exacerbated accessibility and availability issues. It can be seen as a

\(^5\) At the time this law was passed (1999) this was the Minister for Education and Culture. Currently, it is the Minister for Research and Technology and Higher Education
highly exclusive reform affecting a minority of HEIs and students. Firstly, educational corporate body (ECB) status was only extended to select high-performing state universities, and so targeted only high quality institutions. If we consider the implication of this on horizontality, an assumption can be made that the best quality education is therefore the preserve of the most competitive state universities, with no policy reach either in the lower-performing state sector or in the private sector.

In terms of accessibility and availability, an unforeseen consequence of the law was the introduction of a special route to entry (jalur khusus) admission system that seriously undermines fair access to HE. The newly formed ECB universities received less state funding in exchange for their new provisions of autonomy. Consequently, these institutions had to find new means to cover their operational costs, and raising tuition fees was one solution they turned to. The special route to entry essentially guarantees a place of study for a minority of students who are wealthy enough to pay dramatically higher fees\(^6\). We might argue that this system does at least soften a potentially greater fees hike for the majority of students entering based purely on academic achievement (i.e. performance in the national university entrance exam), because such a drastic increase in fees for a small minority allows the universities to retain more affordable fees for the bulk of students. Nevertheless, the special route to entry admissions system clearly disadvantages students from lower socio-economic backgrounds who are unable to pay for their way into elite universities. As a binary system with a very high payment threshold, it is a cruder system than for example a means-tested fees system or an income-contingent student loan system. It also has implications on availability, as a proportion of the intake is in effect ‘reserved’ for those students with parents able to pay high fees.

The National Education System Law (UU 20/2003)
The purpose of this law was to complement decentralisation reforms and support the Reformasi/Democratization agenda more broadly. In the name of modernising the education system, the law also aimed to introduce a more relevant and efficient management system incorporating accountability, quality assurance, and professional development for staff. In terms of fair access to HE, the law went quite far in addressing all three elements of accessibility, availability and horizontality.

Accessibility is addressed explicitly in the law through provisions of affordability of education. Chapter 5, which focuses on the student’s rights and obligations, supports the ambitious goals for improving equal access to education mentioned above. Every student in every school\(^7\) has the right to either (a) a scholarship - if they are talented and their parents cannot afford to put them through school, or (b) tuition fee waivers - if their parents cannot afford to put them through school (Article 12 Section (1) c-d).

Availability is also touched upon, albeit less clearly in the case of HE. According to the law, both parents and the government (central/regional) are obligated to ensure that every child

\(^6\) For example, Institut Teknologi Bandung reportedly advertised fees of 225 million IDR for its competitive Physical Engineering department (Welch 2007, 679). For comparison purposes, students entering a science degree programme on the current means-tested fees structure at Universitas Indonesia, the top-ranking state university in the country, would pay between 2 and 7.5 million IDR depending on their income bracket (Peraturan Rektor Universitas Indonesia 010/2016)

\(^7\) The inclusion of ‘in every school’ extends the equal access policy beyond state schools to the education system as a whole
has the opportunity to complete their compulsory education (Article 7 and 11). In the case of the government, they are also obligated to ensure adequate provision of funding for this purpose (Article 11 Section (2)). In fact, in Chapter 13 on Funding of Education, the Law mandates that 20% of the State/Regional budget be allocated to the education sector, excluding salaries for teaching staff (Article 49 Section (1)). As HE typically only represents a minor portion of this budget, and given that the 1999 Government Regulation introduced a new type of ECB university which involves reducing state expenditure on HE, funding safeguards for HE that might contribute to sufficient availability were less clear.

Horizontality is addressed in direct and indirect ways. Article 5 (1) states that every citizen has an equal right to access quality education. The use of the word quality here clearly addresses the need for consistent quality across the sector. One of the main purposes of the law was to introduce a national standard of education (UU 20/2003 Chapter 9) incorporating the formal, non-formal and informal education sectors. The explicit aim of the this policy was to ‘eliminate discrimination between state and non-state schools as well as differentiation between religious as well as general education’. In an indirect way, consistency in quality is maintained - or at least sought – via mechanisms for quality assurance. Consistency of quality across regional lines is also addressed explicitly. Article 50 (3) of the law stipulates that at least one educational body at each level of education (primary, secondary and tertiary) must be developed to an international standard at the central government and at each regional government level.

Among these apparently positive developments for fair access to HE, the law also previewed a call for ECB status to be applied to all educational bodies (Article 53), which might have had serious implications for accessibility and availability of HE. Handing over financial autonomy to all state universities called into question the state’s commitment to funding of HE, as will be discussed in more detail below in relation to the Educational Corporate Body Law (UU 9/2009).

The Teachers and Lecturers Law (UU 14/2005)

While the Teachers and Lecturers Law (UU 14/2005) does not address availability and accessibility of HE for students, it does, however reiterate a state commitment to improving the horizontality element of fair access. The major policy change introduced in this reform was the certification policy (sertifikasi) whereby all teachers and lecturers would receive financial rewards in exchange for obtaining appropriate qualifications (i.e. undergoing ‘certification’) for their teaching post. The rationale expressed for this policy in the law is that it is necessary to empower and raise the quality of teachers and lecturers in order to achieve the policy objectives of widening access, raising the quality and relevance of education, and good governance and accountability in education (UU 14/2005, Presidential preamble, Section b). Here we see that availability is in itself not considered sufficient – instead, what matters is availability of equally good quality education. Teaching posts at universities in underdeveloped ‘special areas’ are also incentivised (UU 14/2005, Article 55) in an attempt to distribute qualified lecturers in a fairer way.

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8 This includes both state and non-state educational bodies, such as private universities run by religious foundations
The Educational Corporate Body Law (UU 9/2009)

The 2009 Law was introduced on the basis of Article 53 in the 2003 National Education System Law, which had called for all educational bodies to convert their legal status into educational corporate bodies. While mechanisms that might address availability and horizontality of HE access were not present, there were nonetheless a few mechanisms in the 2009 Law that aimed clearly to address the issue of accessibility. These possibly reflected an attempt to pre-empt and curb unfair consequences of a nation-wide ECB reform, such as the tuition fee hikes and special route to entry that had ensued after the first 1999 ECB reform.

Accessibility is addressed not in terms of admissions, but rather in terms of HE funding. Firstly, the means-tested tuition fee policy was reiterated (Article 41 (7)). Secondly, guarantees were provided for state commitment to funds that would assist students from lower-income backgrounds to enter HE. Article 41 (5) stated that the central government had a joint obligation to cover the cost of investment, scholarships and tuition fee waivers at state ECB universities. Article 41 (6) further pledged government funding to cover at least 50% of the operational costs of a state ECB university. Together these measures should have in theory reduced the need for ECB institutions to introduce drastic fees hikes. Furthermore, Article 41 (9) imposed a cap on income generated from tuition fees, limiting this to maximum 30% of an ECB’s operational costs.

As mentioned above, the 2009 ECB Law did not include mechanisms addressing availability or horizontality. Provisions outlined in the 2003 Law remained valid and so those mechanisms were to run concurrently. The potential negative impacts on availability and horizontality were, however, called into question by a coalition of parents, students, educators, activists, and university administrators (Constitutional Court Decision Number 11-14-21-126-136/PUU-VII/2009). Four of the five petitioner groups argued that the mechanisms that put in place a marketised system where all schools and universities were run as ECBs undermined those prior safeguards for fair access to HE. Specifically, petitioner groups argued that the state was abdicing its constitutional obligation to educate the nation⁹, and that the commercialisation of education¹⁰ would lead to discrimination of the poor¹¹. This overarching argument was expressed succinctly in the opening statement by the coalition’s legal representative Taufik Basari during the Constitutional Court Review of the Law:

“… the spirit of the ECB Law 2009 … clearly demonstrates that the intention is for education to be treated as a market commodity, with provision of education becoming corporate in nature, and the level of capital becoming the main factor in determining the progress or failure of education provision.” (Basari 2010)

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¹⁰ Ibid., as argued by Petitioner Group 3 (21/PUU-VII/2009)

¹¹ Ibid., as argued by Petitioner Group 2 (14/PUU-VII/2009). Petitioner Group 5 further argued that Article 9 of the 2003 National Education System Law which ‘obligates society to contribute to the provision of education in the form of material resources’ leaves educational bodies free to exact resources from citizens arbitrarily to the detriment of citizens. Petitioner Group 4, which comprised the Association of Private Universities of Indonesia as well as 13 foundations that run private HEIs, challenged the law on different grounds, arguing that the obligation for all universities to conform to educational corporate body status unfairly abolished the hitherto legal status of private universities as institutions run by their yayasan (foundation).
In the case of the 2009 ECB Law then, the few mechanisms that did attempt to safeguard fair access to HE in terms of accessibility were negligible in comparison to a potential overall effect that would undermine all the previous mechanisms that supported fair access to HE in terms of accessibility, availability and horizontality. Ultimately, the law was revoked by the Constitutional Court the following year, albeit while downplaying the eductional rights arguments and focussing on the legal coherence of the law, especially concerning the legal status of yayasan.

The Higher Education Law (UU 12/2012)

While the ECB Law had attempted to rely on marketization strategies for education provision at the primary, secondary and tertiary levels, the subsequent Higher Education Law (UU 12/2012) instead highlights an explicit need for state-steering mechanisms to safeguard fair access to HE in terms of accessibility, availability and horizontality. From the onset, the preamble to the Law establishes that “a well-planned, guided and sustainable approach to HE governance” is necessary for the “realisation of social justice in access to HE that is of high quality”, and that is furthermore relevant to the public good interests of “development, independence and prosperity” (Presidential Preamble (d)).

Previous mechanisms had addressed accessibility mainly in terms of affordability of HE, and the Law again confirms the use of a means-tested fees system (Article 76 (3)) 12. However, the 2012 Law also introduces an affirmative action policy for the admissions process. Article 74 (1) stipulates that state universities are obligated to recruit and select 20% of their student intake from disadvantaged families. This includes either students who have academic potential but who cannot afford HE, or students who come from underdeveloped regions of the country. Importantly, this article further stipulates that this 20% intake must be distributed throughout the full range of degree programmes offered.

In terms of availability and horizontality, the 2012 Law suggests a need to strike a balance between the two; Article 73 (4) stipulates that all universities must “maintain a balance between the maximum number of students in each programme of study and the capacity in terms of infrastructure, lecturers and teaching staff, as well as services and other educational resources.” The Law also includes mechanisms that specifically address availability in underdeveloped regions. Article 80 (1) mandates that the central government must develop at least one state HEI (either a university, institute, and/or polytechnic) in each province of Indonesia. In addition, at the level of each municipality and/or border region, the central government together with the regional governments must also gradually develop at least one community academy in a field relevant to that region’s particular potential for growth (Article 81 (1)). This relevance to local community needs is defined further as ‘based on regional needs for accelerating development and prosperity of the community” (Article 81 (2)). Arguably, in a more indirect way, the 2012 Law addresses horizontality by maintaining a firm regulatory hold on the sector in terms of quality assurance, accreditation and curriculum standardisation.

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12 The Bidikmisi scholarship programme has been running since 2010. Students are eligible to apply if they can demonstrate good academic achievement and if their net family income does not exceed 3,000,000 IDR/month (close to the national minimum wage). The scholarship covers all costs related to their programme of study, as well as a small monthly stipend of up to 600,000 IDR. Kementerian Riset dan Teknologi dan Pendidikan Tinggi (2015) Bidikmisi. Available at http://bidikmisi.belmawa.ristekdikti.go.id/site/index [Accessed 15/9/2016]
Summary

The mechanisms in the two ECB reforms clearly do little to promote fair access to HE in terms of all three elements of accessibility, availability and horizontality. The UU 20/2003, and the UU12/2012 Laws, on the other hand, clearly address all three of these elements, the most striking example being the UU 2012 Law. To a lesser extent, the UU 14/2005 Teachers and Lecturers Law also supports fair access to HE, as it puts forward a policy that aims to address the horizontality element of fair access.

It is worth mentioning here that the weight of these mechanisms in terms of real impact becomes clear in our evaluation when we consider that the HE reforms were supported by complementary reforms in the primary and secondary sector. Any attempts to improve fair access to HE must align with policies and realities of the basic education sector. The historical context reveals that the non-state education sector has played a significant role in improving access to education. Since independence, the government has pursued harmonisation between state schools and traditional Islamic schools – a policy that has reaped clear benefits in terms of universal enrolment and gender parity (Hefner 2009, 62). The Islamic education sector has been successfully integrated into the remit of an inter-ministerially governed national education sector14 as a result of the 1975 inter-ministerial decree on education (Surat Kesepakatan Bersama (SKB) 3 Menteri Tentang Peningkatan Mutu Pendidikan Pada Madrasah, 1975) and the 1989 National Education System Law (Undang-Undang 2/1989 Sistem Pendidikan Nasional). Today, graduates of madrasa can apply to state universities, and they may even enrol in military and police academies (Azra, Afrianty and Hefner 2007, 187). The implication here is that entering HE is not necessarily the preserve of students graduating from high quality state schools in urban areas. In this light, we may view the introduction of accreditation, regulation and monitoring of the non-state HE sector as the most recent extension of an inclusive approach to managing a diverse education sector where state schools and universities will only ever comprise a minority of educational institutions.

Inclusive development? Policy discourses of pancasila, human capabilities and neoliberalism in the reforms

While the preceding section examined mechanisms of the reforms in relation to accessibility, availability and horizontality, this section now turns to the more abstract theme of value judgements inherent in the overall policy discourse of the reforms. The aim of this analysis is to identify to what extent a pro-inclusive development agenda may or may not be evident in the reforms, specifically in relation to fair access to HE. It is helpful first to compare the overarching ideological stances to education outlined in each of the five reforms. The various definitions of the purpose and nature of education/HE are outlined in Table 3 below. From this table, we can observe a stark difference especially in the 2009 ECB Law in comparison to the rest of the reforms.

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13 The data that Hefner refers to from the mid-2000s indicated that female enrolment was roughly equal to that of boys in pesantren and madrasa, and even outnumbered boys in high school level madrasa.
14 State schools are governed by the Ministry of National Education, Islamic schools by the Ministry of Religious Affairs. Both receive a portion of the state budget on education.
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<td>Pertains to</td>
<td>ECB state universities</td>
<td>the national education system as a whole</td>
<td>all ECB primary/secondary schools and universities (state and other)</td>
<td>all universities (state and other)</td>
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<td>Definition of education</td>
<td>The purpose of an Educational Corporate Body University is to: a) prepare students to become members of society possessing academic and/or professional skills who can apply, develop and/or enrich the reserve of science, technology and the arts b) develop and expand science, technology and the arts and to strive for their use in raising the standard of living for society and enriching the national culture c) support the development of a democratic civil society by acting as independent moral force d) achieve competitive excellence by managing resources on the basis of professional management</td>
<td>National Education functions to develop the capabilities of and shape the character and civilisation of a dignified nation in the name of educating the life of the nation, and it aims to develop the potential of students to become faithful servants of God, noble in character, healthy, knowledgeable, capable, creative, independent, and to become democratic and responsible citizens.</td>
<td>The function of an educational corporate body is to provide the service of formal education to students.</td>
<td>A university carries out its function and role as: a) A forum for learning for students and society b) A forum for the education of the future leaders of the nation c) A centre for the development of science and technology d) A centre for the study of virtue and of moral strength to seek and discover truth e) A centre for the advancement of civilisation of the nation</td>
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Table 3: Changing definitions of education in the 1999 – 2012 legislature
The first ECB reform demonstrates some continuity with a normative discourse on national development and the state ideology *pancasila*. This unique form of state ideology combines elements of nationalism, social justice and religiosity to form a semi-secular yet religiously defined ideology promoting a unitary yet diverse republic. While there is no explicit reference to the Reformasi movement, there is an attempt to redefine the national political agenda as one striving to create a civil society with democratic values. This does not mean that the state ideology *Pancasila* is substituted by Reformasi ideals. Unsurprisingly, a commitment to *Pancasila* values is still evident in the fact that the purpose of education is still defined explicitly in moral terms (Article 3 b-c). The *Tri Dharma* principles defined in previous education laws are not mentioned explicitly either, but nonetheless the tone and content of Chapter 2 is very much in keeping with that purpose. What stands out about the overall discourse of the reform, however, is the introduction of materially defined benefits as drivers for HE reform. Enhancing national competitiveness in the era of globalization is used to justify a neoliberal governance reform that has no implications on fair access to HE. This certainly represents a break from the past. In sum, the overall message seems to be a rather mixed picture, where human capital and human capability arguments are put forward.

The 2009 ECB Law took the economically oriented discourse of national competitiveness and efficiency even further than the 1999 reform. Both the mechanisms themselves and the language used reveal a shift more in a neoliberal ideological orientation and a step away from the public good/fair access orientation of inclusive development. As an example of this, the law uses several phrases that jump out as awkward translations of buzzwords used in the aid industry: reference to the purpose of education as ‘to provide the service of education’ or *memberikan layanan pendidikan*; reference to the duty of a university to offer a ‘prime service’ or *layanan prima*; reference to university management staff as ‘stakeholders’ or *pemangku kepentingan*; the legal basis for university operations being described as the ‘articles of association’ or *anggaran rumah tangga* rather than a charter or statute. Admittedly, the 2009 ECB Law does make explicit reference to inclusivity and fairness in Article 4 (2) f), where the function, aim and principles of education is include references to “fair access … without prejudice based on religious background, race, ethnicity, gender, social status or economic means”. However, this reference is not aligned with the overall language, content and mechanisms of the law. Instead, there is limited evidence of a pro-inclusive development agenda.

In contrast, the 2003, 2005 and 2012 Laws stress both material and non-material definitions of development. Hence, national development is defined beyond material terms of economic success in a globalised world, to include inclusivity as an inherent value. For example, the 2003 National Education System Law states that the provision of education should be “democratic, just, and non-discriminatory, all the while upholding human rights, religious values, cultural values, and the plurality of the nation.” (Article 4 Section (1)). Furthermore, the provision of education should ‘empower all components of society by involving them in its provision and quality assurance’ (Article 4 Section (6)). In terms of

15 Literally, *pancasila* means the ‘five principles’, which are: 1. Belief in the one and only God (*Ketuhanan yang Maha Esa*), 2. Just and civilized humanity (*Kemanusiaan yang Adil dan Beradab*), 3. The unity of Indonesia (*Persatuan Indonesia*), 4. Democracy guided by the inner wisdom in unanimity arising out of deliberation among representatives (*Kerakyatan yang Dipimpin oleh Hikmat Kebijaksanaan dalam Permusyawaratan/Perwakilan*), 5. Social justice for the entire people of Indonesia (*Keadilan Sosial bagi Seluruh Rakyat Indonesia*)
concrete mechanisms to implement such objectives, the 2003 Law also asserted a policy that was far more inclusive in terms of addressing regional underdevelopment and in terms of equal access to education across diverse socio-economic backgrounds. The 2005 Teachers and Lecturers law reiterates the same message by asserting that fair access to education should constitute equal opportunity to good quality education. The accessibility, availability and horizontality aspects of fair access to HE were built upon taken even further in the 2012 Higher Education Law, demonstrating a continuation of this pro-inclusive development agenda.

Another theme present throughout all the reforms is a very normative discourse in terms of religiosity and faith. Education cannot be separated from the moral dimension of national development which is epitomized in *pancasila* values. Interestingly, the state ideology of *pancasila* seems to have been successfully reinvented/reconceptualised by policymakers and legislators to justify in turn both neoliberal policy strategies (the ECB reforms) and human capability arguments for development (in the 2003, 2005 and 2012 Laws). *Pancasila* seems to remain the core ideology that permeates the entire HE reform process, whether the mechanisms introduced promote or ignore fair access to HE.

Overall, there has been an increasingly pro-inclusive development tone as evidenced in the dominance of *pancasila* and human capability arguments in the face of gradual erosion of neoliberal arguments. In other words, I argue here that the current Indonesian HE legislation does exhibit a pro-inclusive development agenda to a significant extent as defined by evidence of accessibility, availability and horizontality of fair access.

**Inclusive development and fair access to HE in practice**

As mentioned in the introduction, the following section will provide a very cursory discussion on the practical implications of the HE reforms discussed in this paper. The brief discussion below will highlight areas of divergence between reform objectives and everyday beliefs and practices of university practitioners and society, suggesting directions for future research related to these points.

Data from pilot interviews as well as informal discussions with colleagues suggest that while there is agreement on the part of lecturers on the spirit of the reforms, more enforcement of fair access policies is needed. For example, lecturers are aware that bribes are still being accepted from parents to enrol their children in state universities. How might the *jalur khusus* special route to entry be seen in this context? To what extent is the *jalur khusus* seen by university managers as merely a formal recognition of societal demands and expectations, or as an unfair policy that might undermine social justice ideals? Further research into institutional behaviour and attitudes in regard to equitable enrolments would help to shed light on the accessibility and availability elements of fair access to HE.

Regarding regional equality, one interviewee from a less developed region iterated the need for the government to promote regional centres of excellence more intensively. In order to avoid an exodus of students to more established or prestigious universities on the island of Java, state universities in less developed regions need to develop a clearer, specialized mission that might attract students locally and from elsewhere in the country. This point reveals that legal provisions to establish high quality universities across the archipelago are not sufficient in themselves to improve fair access to HE. Those institutions must also be successful at marketing their strengths and their value to students from within and beyond
the province. Future research into factors influencing student choice of HEI in less developed regions as well as from lower socio-economic backgrounds would therefore be helpful in building a better understanding of regional inequality issues, and how to better address the horizonality aspect of fair access to HE.

Related to this point is the potential emergence of a ‘for us, by us’ model of development when national development goals are twinned with fair access goals. For example, one ECB university has introduced a scholarship programme for students in the Faculty of Medicine where students work in needy regions for five years after graduation as a condition of their funding. While this type of scheme may appear to be furthering fair access in terms of accessibility and horizonality (i.e. students unable to pay high fees can access one of the country’s most prestigious institutions), this does raise concerns about whether fair access is able to contribute to social mobility. Is it acceptable that children of rich parents are free to work at private hospitals after graduation and continue to accrue wealth for their families, while children whose parents cannot afford high fees are expected to take on the role of serving needy communities on sub-par salaries? How might closer inspection of the positional value of HE (McCowan 2016) help to inform more effective fair access policies?

In addition to the institutional and societal practices that influence reform outcomes, larger structural barriers may undermine reform outcomes. Ball (1993) reminds us that policies do not enter socio-political vacuums, and may indeed enter existing landscapes of inequality. Regarding enforcement of the affirmative action policy, Susanti (2011) has pointed out that the 20% target is extremely difficult for many institutions to reach in practice. This is due to the fact that students from lower socio-economic backgrounds are less likely to have grasped the academic and linguistic fluency needed to succeed in the national university entrance exams. This demonstrates how limiting the notion of fair access to affordability alone will not suffice to increase participation from lower socio-economic groups.

Conclusion

This paper began by posing the question whether the renewed political dynamism of the post-Suharto era coupled with a global trend toward massification of HE might have potential for the emergence of a pro-inclusive development agenda in Indonesian HE. Through qualitative content analysis of the reforms, I have demonstrated that the ECB reforms make only a minimal attempt to address fair access to HE, whereas the 2003, 2005 and 2012 education laws have made clear attempts to promote fair access to HE in terms of accessibility, availability and horizonality. Neoliberal arguments have eventually been subsumed by *pancasila* and human capability arguments, which have in turn re-oriented the discourse surrounding HE towards a pro-inclusive development agenda. Nevertheless, the final section of this paper has drawn our attention to the need to examine policies in *practice* before we can draw any real conclusions about concrete achievements in fair access to HE. This is because institutional behaviour, social values as well as broader structural inequalities play a key role in ‘negotiating’ the ‘order’ (Barrett 2004) of the HE policy domain.
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