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Power, Politics, and Political Entrepreneurs: Realising Universal Free Basic Education in Indonesia

Andrew Rosser, Anuradha Joshi and Donni Edwin
February 2011

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Summary

Several developing countries have recently introduced policies supporting universal basic free education (UFBE). Experience suggests such policies often fail to increase access and quality of education, and illegal fees are widely prevalent. The literature identifies several reasons including the lack of replacement funding in place of fees and the loss of quality due to overcrowding and subsequent high drop-out rates. This paper, using evidence from Indonesia's experience, argues that the underlying problem is political. We suggest that fee-free education is an attainable goal, but only if pro-UFBE coalitions are empowered to influence policy, demand accountability and seek redress against illegal fees.

Keywords: governance; politics; basic education; free education; Indonesia.

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Acronyms

AGO	Attorney General's Office
BOS	School Operational Assistance
DONE	Department of National Education
ICW	Indonesia Corruption Watch
KPK	Corruption Eradication Commission
MSS	Minimum Service Standards
PGRI	Indonesian Teachers Association
RSBI	Rintisan Sekolah Berstandar Internasional [International Standard School Pioneering Effort]
SBI	'international standard' schools
UFBE	universal basic free education

1 Introduction

User fees are prevalent in basic education in the vast majority of developing countries. By one estimate, they account for roughly 20 per cent of all education spending worldwide (Bentaouet-Kattan and Burnett 2004: 4). They are widely seen as one of the main obstacles to achieving universal primary education, the second of the Millennium Development Goals, and increasing participation in secondary education (Hillman and Jenkner 2004; Bentaouet-Kattan and Burnett 2004; DFID 2006; Delamonica and Mehrotra 2009). To the extent that user fees prevent children from attending school, it is argued, they serve to breach human rights, in particular those specified in Article 26 of the Universal Declaration on Human Rights which states that 'Education shall be free, at least in the elementary and fundamental stages.' The international community has called for the elimination of user fees in basic education through the 'Education for All' (EFA) goals, which were agreed in 1990. The second of these goals is 'to provide free and compulsory primary education for all.'

In recent years, this consensus against user fees has provided a rationale for several developing countries to introduce universal free basic education (UFBE). Yet these changes – from fee to free – have not always had a positive impact (CHER 2002). Experience suggests that while initially the abolition of user fees leads to large increases in school enrolments, in a number of cases user fees have subsequently re-emerged, leading to high drop-out rates and concerns about reduced quality (see example from Kenya, Somerset 2009). Analysis has largely suggested that difficulties in realising UFBE in developing countries have reflected problems with the adequacy and delivery of school funding to replace funds previously generated through user fees. For instance, one lesson that has been drawn is that 'in cases where fees are an effective contribution to school access or quality, there is a need to ensure replacement of fees with revenues of equal effectiveness and size' to ensure that quality is maintained and user fees do not reappear (Bentaouet-Kattan and Burnett 2004: 4; see also Hillman and Jenkner 2004: 256).

By contrast, we suggest in this paper that realising UFBE in poor countries is essentially a political problem reflecting inequalities of power. User fee or fee-free policies are not neutral devices for funding basic education but ones that redistribute resources between competing coalitions of interest. For this reason, the introduction of UFBE will often be contested and its realisation will depend on how struggles between competing coalitions of interest play out in particular contexts, reflecting their respective capacities to influence policy, implementation and enforcement. Accordingly, we suggest, attempts to promote UFBE in poor countries need to consider not only the adequacy and effective delivery of replacement funding, but also ways of empowering coalitions that have an interest in eliminating user fees *vis-à-vis* coalitions that have an interest in maintaining them.

To illustrate these points, we examine Indonesia's experience with UFBE since the fall of the authoritarian 'New Order' government in the late 1990s. During the New Order, user fees were widely charged at government primary and junior secondary

schools notwithstanding the fact that basic education¹ was formally free. While these fees did not prevent the country from almost achieving universal primary enrolment in the mid-1980s, they contributed to high drop-out rates at primary schools and low progression rates to junior secondary school, and in some cases, forced students into lower quality private schools. We argue that the efforts of post-New Order governments to address these problems by reintroducing UFBE have been only partially successful because coalitions that have an interest in maintaining user fees have had sufficient influence over basic education policy, its implementation, and enforcement to block the increases in education funding needed to realise UFBE, stymie substantial reform of school-level governance, and make it difficult for groups aggrieved by user fees to seek redress through the bureaucracy and justice system.

In presenting this analysis, we begin by dealing with conceptual issues, specifically the definition, types and political nature of user fees. We then identify the main coalitions of interest that have been involved in struggles over user fees in Indonesia, the agendas they have pursued, and the forms of leverage they have been able to exercise over policy, implementation and enforcement. Next, we examine how these struggles have impacted on outcomes *vis-à-vis* UFBE in post-New Order Indonesia. In the final part of the paper, we examine the implications of Indonesia's experience for developing countries in general.

2 Definition and types of user fees

User fees in basic education can be defined as charges that are payable at the point of service for publicly provided schooling at the basic education level. They include tuition fees and a host of other charges: for example textbook fees, uniform fees, Parent Teacher Association levies, community contributions, exam fees, building/construction levies, maintenance charges, excursion charges (Bentaouet-Kattan 2006). Typically costs such as transport, boarding, meals, and the opportunity costs associated with sending children to school are not included (Bentaouet-Kattan and Burnett 2004: 6). While these costs can be significant barriers to poor people accessing basic education services they do not meet our definition of user fees because they are not directly related to the provision of basic education, and some are not charged at the point of service. Private tutoring costs are also not usually included however we do include these here to the extent that school teachers pressure students to take such tutoring at private institutes where they teach to earn additional income.

While it is generally recognised that user fees in basic education are charged for a range of different items, the literature tends to treat them all alike. For example, it does not distinguish between fee for service (in response to a demand by providers) or donation (perhaps as a token of gratitude) in public services. Moreover, often

1 In Indonesia, basic education (*pendidikan dasar*) is defined as the first nine years of school education, taking in both primary and junior secondary school.

all illegal fees are collapsed into the category of corruption, bribes or extortion, whereas in some cases of acute resource scarcity, they might be necessary to provide the service itself. To clarify the terrain, we propose, following Gaal *et al.* (2006), to distinguish user fees in basic education along two axes: legal/illegal and formal/informal. The first axis – legal/illegal – is fairly straightforward – and depends upon the laws and regulations in a specific country. The second axis – formal/informal – is primarily to distinguish between fees which are used for education provision and for which records of collection and utilisation are kept versus those which disappear into individuals’ pockets. Distinguishing user fees along these axes yields four main types of user fee, as summarised in Table 2.1: tokens of gratitude (Box A), bribes/extortion (Box B), user charges and voluntary contributions (Box C), and top-ups for providing services (Box D). All of the above types of user fee have been a feature of school systems in developing countries for a long time (Bentaouet-Kattan and Burnett 2004; Hallak and Poisson 2007; Klees 2008: 313), although those that fall into Box C have attracted the most attention from scholars because they are the most visible and most directly the result of public policy.

Several points should be made about this typology. First, there is no distinction made between payments in kind versus cash: users who provide teachers with food are paying a user fee just as much as those who give cash. Second, the typology does not privilege where the transaction takes place, who gives or to whom, or between large and small payments. Finally, while the distinction between these different types of fee is useful for analytical purposes, in practice the distinctions might not be so clear cut. For instance, parents who provide teachers with a gift at the end of a year may do so both to signal their appreciation for his or her work throughout the year and to guard against mistreatment of their child in terms of grades awarded and promotion to the next level. In other words, their payment may correspond simultaneously to both Boxes A and B.

Table 2.1 A typology of user fees in basic education

	<i>Legal</i>	<i>Illegal</i>
<i>Informal</i>	<p>A</p> <p>Tokens of Gratitude</p> <p>e.g. gifts to teachers at the end of the school year</p>	<p>B</p> <p>Bribes Extortion</p> <p>e.g. payments to teachers/principals to ensure a child is promoted to the next grade or receives good marks</p>
<i>Formal</i>	<p>C</p> <p>User charges and voluntary contributions</p> <p>e.g. registration and tuition fees (if permitted by law), genuinely voluntary contributions</p>	<p>D</p> <p>Top-ups for providing services</p> <p>e.g. registration and tuition fees (if not permitted by law), overcharging on legal fees</p>

2.1 The political nature of user fees and their elimination

User fees in basic education should be seen as a political product for three reasons. First, they redistribute resources between different groups in society. For instance, all the fees identified in Table 2.1 potentially involve a direct transfer of wealth from users (parents/students) to the individuals who provide these services (principals/teachers/bureaucrats). In the case of the fees that fall into Boxes A and B, this effect is clear – money paid by parents disappears directly into the pockets of teachers and school principals and, if the money is then passed on to bureaucrats, into their pockets as well. In the case of fees that fall into Boxes C and D, much depends on the level of transparency and accountability surrounding the way in which these fees are managed. In environments where the level of transparency and accountability is low, it will be easy for principals, teachers and bureaucrats to misappropriate the money raised through such fees. In environments where the level of transparency and accountability is high, the money will be returned to users in the form of better quality education services. Fees that fall into Boxes C and D also redistribute resources away from users to taxpayers because they shift the burden of financing basic education to the former. User fees are, therefore, not neutral in political terms: they benefit particular groups at the expense of others, giving both sides an interest in whether or not they are employed.

Second, both the introduction and elimination of user fees in basic education are often contested. For instance, even during the authoritarian New Order period in Indonesia, there were numerous protests by parents and students over what they regarded as excessive fees at particular schools (Kammen 1995; *Jakarta Post* 1996); and, as we will see below, such protests have multiplied dramatically in number in the post-New Order period with the emergence of a more democratic political system. Similarly, when governments have abolished formal user fees by introducing UFBE, there has often been resistance from coalitions of interest that stand to lose out. For instance, Plank (1990) argues that the failure to successfully implement UFBE in Brazil during the late 1970s and 1980s stemmed from concern among the elite and middle classes that expansion and improvement of basic education services for the poor would entail a shift in resources away from the education of elite and middle class children.

Third, where user fees are contested, the prospects for realising UFBE will hinge on the relative ability of competing coalitions of interest to influence policy, implementation and enforcement with regard to UFBE. Different coalitions of interest have different forms and degrees of leverage over political processes, reflecting their financial resources, their ability to organise and influence public opinion, and their level of direct control over the state apparatus. In most developing countries, coalitions that have an interest in the preservation of user fees in basic education are far more powerful than those opposed to user fees. The prospects for introducing UFBE thus hinge on whether this power relationship can be altered.

Finally, note that the way in which political factors shape the incidence of user fees in developing countries will be context specific reflecting variations in socio-economic and institutional structures, history etc. Hence, generic categories such as ‘users,’ ‘providers,’ and ‘taxpayers’ (as used above) only get us so far towards understanding the politics surrounding user fees/UFBE in specific contexts. These

categories do correspond in certain contexts to coalitions of interest that have their own histories, institutional identities and characteristics. It should be remembered that other actors outside these categories, such as NGOs and donors, play an important role in some cases.

3 The competing coalitions of interest in Indonesia

In broad terms, two main coalitions have had an interest in the issue of user fees in basic education in Indonesia: the first has consisted of 'politico-bureaucrats' and major business enterprises; poor and middle class parents have comprised the second.

The term 'politico-bureaucrats' is used to refer to state officials who are able 'to appropriate the offices of the state apparatus and in their own right exercise authority over the allocation of resources and access,' effectively fusing political and bureaucratic power (Robison 1996: 82). This group, which dominated Indonesian politics during the New Order, has remained a powerful force in the post-New Order period. It has had an interest in maintaining all four types of user fees identified in Table 2.1 for two main reasons. First, by reducing the need for central and regional governments to fund government primary and junior secondary schools, such fees have increased these governments' ability to spend money in sectors such as infrastructure, mining and energy, transport and communications, where rent-seeking opportunities for politico-bureaucratic elements have traditionally been greatest, reflecting the fact that these sectors are associated with large-scale 'projects' such as road construction, the building of telecommunications facilities, the construction and operation of petrochemical plants, mines. Second, such fees have generated rent-seeking opportunities for politico-bureaucrats who work in the education sector itself. On the one hand, they have created the fiscal space to allow the Department of National Education (DONE) and local government basic education agencies to fund their own 'projects,' in this case in the form of things such as school construction and supply contracts. On the other hand, these fees have also provided an opportunity for officials at local government basic education agencies, school principals and teachers to increase their personal or patronage-related activities. The types of fees associated with Boxes C and D (Table 2.1), for instance, have created a pool of funds that school principals and teachers have been able to embezzle, misappropriate, use to employ relatives and friends, or otherwise employ corruptly, given that management of school budgets in Indonesia has lacked transparency and accountability. Similarly, user fees associated with Boxes A and B (Table 2.1) have provided principals and teachers with a direct method of supplementing their meagre official salaries. Both types of fees have enabled school principals to channel funds to their bureaucratic masters at local education agencies in exchange for protection and favours.

In trying to maintain such fees, politico-bureaucratic actors have been able to take advantage of their positions as bureaucrats, principals and teachers. For instance, many parents in Indonesia have paid illegal fees to principals and teachers because

of fear that their children will receive bad marks, be denied promotion to the next level, or be otherwise mistreated if they do not pay up, all of which are at the discretion of school staff. Similarly, school principals have had a strong incentive to share the proceeds of their revenue-raising at the school level with government officials in local education agencies because of the latter's authority over promotions, sackings, and transfers. Principals who have not channelled money upwards into local education agencies have risked demotion or transfer to a school with fewer opportunities for rent-seeking. For their part, local education officials have also been able to generate fee income for themselves by issuing directives to principals to require students to participate in certain extra-curricular activities which must be paid for.² Finally, politico-bureaucrats in ministerial or other senior bureaucratic positions have taken advantage of their role in budget-making processes to ensure that national and local government spending has favoured sectors such as industry, mining and energy, agriculture, infrastructure and communications rather than education or within the education sector that it has included lucrative projects.

The country's major domestic and foreign business enterprises have also had a material interest in maintaining user fees in basic education – specifically those associated with Boxes C and D (Table 2.1). On the one hand, they have shared the politico-bureaucrats' interest in maximising government spending outside the education sector and in particular on items of importance to business such as infrastructure and fuel subsidies, the benefits of which have accrued overwhelmingly to business and the middle classes. On the other hand, they have also benefited from the fact that, by generating much-needed funds for government schools, user fees in basic education have served to reduce pressure on the government to increase corporate taxation. Major business enterprises have been able to satisfy their need for skilled labour without UFBE; indeed primary and junior secondary school graduates have more often found work in agriculture rather than manufacturing (Hull and Jones 1994: 170). They have consequently been unwilling to pay higher taxes in order to promote UFBE, something that is reflected in the fact that they have never actively lobbied for it. At the same time, they *have* consistently emphasised the need for Indonesian governments to maintain competitive corporate taxation rates, keep budget spending in check, and support the development of the business sector through various subsidies and regulatory exemptions (Indonesia Business Links 2007; Tan 2010; Aris 2010), all of which work against the fiscal feasibility of UFBE.

In pursuing this agenda, major businesses have been able to leverage the support of technocratic elements within the government and donor community, especially the World Bank. While these actors have publicly opposed user fees in basic education and voiced support or at least acceptance of the general principle of UFBE, they have also sought to ensure that government spending on basic education is consistent with fiscal robustness and that it does not draw money away from other crucial sectors such as health and infrastructure (Bentaouet-Kattan and Burnett 2004; World Bank 2007; Aprianto 2007; Rahetamalem 2007).

2 Interviews with activists involved in Auditan, Jakarta, October 2009.

The second main coalition that has had an interest in the issue of user fees in basic education in Indonesia consists of parents from poor and middle class backgrounds whose children attend government primary and junior secondary schools or who would prefer to send their children to these schools rather than lower quality private schools. The first group – parents from poor backgrounds – has had a material interest in eliminating user fees of all types identified in Table 2.1 because they have found them to be a significant barrier to sending their children to government schools – although the extent to which such fees have been a problem in this respect has varied, reflecting differences in the level of fees between regions and schools (Bray 1996: 20; World Bank 2008: 1).³ These parents have expressed a view that the funding of basic education should be a government, community or collective responsibility rather than an individual responsibility (see, for instance, the survey findings reported in *Asia-South Pacific Education Watch 2007*: 12). These sentiments were echoed in our interviews with taxi drivers, *warung* operators, and residents in two poor *kampungs* in Jakarta.⁴ However, they have had little leverage over policy-making or implementation processes. While they have been more vulnerable than other parents to intimidation by principals, teachers and local officials, precisely because of their poverty, they have lacked the financial resources, networks, and educational ability to organise collectively in relation to user fees. Where they have organised, it has generally been with the assistance of radical NGOs such as the Indonesian Poor People's League, an NGO with links to the former People's Democratic Party (*Detik Surabaya* 2009), and the Urban Poor Consortium, a Jakarta-based alliance of individuals and NGOs that work with marginal communities.

In contrast, parents of school children from middle class backgrounds have been concerned mainly about what they regard as the 'excessive' nature of fees at 'favourite' schools – that is, ones at which there is a high demand for places – and the corrupt way in which these fees have sometimes been used by schools rather than the existence of school fees *per se*. In other words, their main concern has been fees associated with Box B (Table 2.1) rather than the other boxes.⁵ Also in contrast to parents from lower class backgrounds, they have been able to self-organise – at least at the school level – to pursue their collective interests. In Jakarta, for instance, groups representing parents have been established at schools such as SDN 1 in Menteng, SDN Percontohan IKIP in Rawamangun, and SDN 11 in Pondok Labu, all of which fall into the 'favourite school' category.⁶ In the mid-2000s, a number of individuals associated with these groups formed the Alliance of Parents Concerned about Transparency in Education Funds (Auditan), an informal grouping committed to 'promoting and developing management of

3 One survey from the late New Order period found some primary schools in Jakarta in 1989–1990 were charging Rp100,000 (US\$55) to enrol a child in Grade 1 while a remote primary school in Central Kalimantan was charging only Rp500. A more comprehensive survey from around the same time found government junior secondary schools were charging fees anywhere between Rp1,000 and Rp125,000 with an average fee of Rp11,700 (as cited in Bray 1996: 20).

4 The poor *kampungs* were located in the Klender and Rawamangun areas of East Jakarta.

5 The predominant concern with the 'excessive' nature of fees and corruption in school management is clear in documents such as Auditan (nd) which focus entirely on issues of transparency and accountability in school management and say nothing at all about whether fees such as those in Boxes C and D are legitimate.

6 As an aside, SDN 1 is the school that US President Barack Obama attended when he lived in Indonesia as a child.

education funds that is democratic, transparent, and accountable and oriented towards the direct benefit of students' (Auditan, nd). But while Auditan has attracted some media attention, it remains a small and poorly funded organisation.

Poor and middle class parents' groups have employed a number of strategies to try to influence basic education policy and the way it is implemented: trying to capture control of school committees (*komite sekolah*), the principal decision-making mechanism at the school level in which parents are permitted to participate; trying to gain media attention and in doing so shape public opinion and apply pressure on elected political representatives to take action against illegal fees; pursuing complaints through the legal system; and mobilising support from the NGO community. With respect to the latter, a key ally – at least for parent groups in Jakarta – has been Indonesia Corruption Watch (ICW), a prominent Jakarta-based anti-corruption NGO. It facilitated the formation of Auditan and helped to set up the Education Coalition, a group of NGOs, teacher unions and parents' organisations in and around Jakarta that are engaged in advocacy work on issues around basic education. Another set of allies have been members of the Free Education Working Group, a Yogyakarta-based consortium of NGOs that engage in advocacy around education issues (Kelompok Kerja Pendidikan Gratis 2007).

In describing the politico-bureaucrats and major business enterprises, on the one hand, and parents from poor and middle class backgrounds, on the other hand, as 'coalitions', we do not mean to imply that they are formalised or institutionalised in any way or that their members act in a coordinated and organised manner, although in some specific instances this may be the case and, clearly, ICW's efforts to establish an Education Coalition are an incipient step in that direction in relation to the second coalition. Rather they are 'coalitions' in the sense that they share common or at least broadly similar interests and are working towards the same or broadly similar objectives. Nor are we suggesting either that members of these coalitions necessarily have a *direct* interest in the issue of user fees in the sense that they either pay or directly receive these fees. In the case of some actors – for instance, parents of poor schoolchildren and principals and teachers – there clearly is a direct interest, as we have explained above, but in the case of other actors – for instance, politico-bureaucrats in government ministries and agencies outside the education sector and major business groups – the interest is more indirect, operating *via* the effect of user fees on fiscal space. Indeed, in endeavouring to increase government spending in sectors other than education and, in particular, on items such as fuel subsidies, these actors may not see their actions as being in any way related to the issue of user fees in basic education, even though they clearly have an impact in this respect.

4 The politics of user fees in basic education in Indonesia

During the New Order period, the politico-bureaucrats and major domestic and foreign enterprises exercised the dominant influence over government policies and the way in which they were implemented and enforced in all policy areas

including education. After taking power in 1965, the politico-bureaucratic elements who controlled the Indonesian military reduced the national parliament to a rubber stamp and exerted strict control over the judiciary ensuring that real political authority remained with the bureaucracy and executive. Simultaneously, they forged an effective coalition with domestic and foreign capital, consummated through the enactment of new investment laws and a range of other economic policy reforms that created a more attractive investment climate. Finally, they accepted foreign aid and policy advice from the International Monetary Fund and World Bank to help overcome the economic crisis of the mid-1960s and economic challenges such as those posed by the collapse of international oil prices in the early to mid-1980s (Robison 1986; Rosser 2002; Rosser *et al.* 2005).

Within this political context, Indonesia's basic education system became part of the larger 'franchise' structure that characterised the New Order, the key feature of which was the purchase of government positions in exchange for access to the rents they could generate (McLeod 2000). Local community members such as parents, who had previously played a central role in the management of Indonesian schools, were pushed aside in favour of politico-bureaucratic elements who bought their positions at schools in exchange for the opportunity to make money through corruption and fees (Irawan *et al.* 2004: 50). At the same time, the influence of foreign and domestic business groups and the donor community over government policy ensured that government spending on basic education was limited. Although the New Order invested heavily in expanding the school system during the oil boom years when discretionary investment resources allowed, it cut education spending significantly following the collapse of international oil prices in the mid-1980s (World Bank 1998: 148).

In terms of UFBE, the effect was to entrench a wide range of user fees at most government primary and junior secondary schools. Officially, the New Order abolished formal user fees – i.e. those associated with Box C in Table 2.1, except for voluntary contributions which remained permitted – at government primary schools in 1977, and government junior secondary schools in 1994 (Bray 1996: 20; Kristiansen and Pratikno 2006: 516). But, in practice, it permitted these schools to charge formal fees for services, products and activities such as enrolments, tuition, building construction, exams, photocopying, uniforms, book purchases, book hire, and extracurricular activities. In some cases, these fees were supported by government regulations and/or decrees (and so had some legal basis notwithstanding the general prohibition on formal fees) while in others, they were not and the government simply turned a blind eye to their existence (Irawan *et al.* 2004: 107). At the same time, many teachers reportedly demanded extortion payments for releasing students' grades or granting permission for students to progress to the next level, took bribes for awarding higher marks to students, and/or accepted gifts from students and parents (Hardjono and Teggemann 2004: 3–6; Kammen 1995). In terms of the types of user fees listed in Table 2.1, the country exhibited all four types.

The financial burden imposed by these user fees had a significant impact on access to basic education for poor people in Indonesia during this period. Enrolment rates at both primary and junior secondary schools improved dramatically as the economy grew, poverty rates declined, and the school system

expanded, almost reaching universal primary enrolment by the mid-1980s (Hull and Jones 1994: 161). But the charging of user fees was one of the main reasons why even before the Asian economic crisis in 1997–1998 (which led to a brief drop in enrolment rates) almost 20 per cent of primary school students did not finish primary school and 1.5 million primary school students per year did not continue on to junior secondary school (World Bank 1997: 68–9; 1998: 46). In other cases, it appears that user fees at government primary and junior secondary schools forced poor people to send their children to lower quality private schools,⁷ reducing the utility of their education. However, poor (and for that matter middle class) parents generally did little to protest against the charging of user fees, because of the risk of retribution against their children.

The fall of the New Order produced a modest change in the balance of power between the politico-bureaucrats, major business enterprises, and donors, on the one hand, and other political and social forces, on the other – and thereby revived the struggle over user fees for basic education in Indonesia. As Bourchier and Hadiz (2003: 593) have argued, the politico-bureaucrats and their corporate clients were ‘able to reinvent themselves’ following the fall of the New Order ‘through new alliances and vehicles’ such as political parties with the result that they maintained instrumental control over the state apparatus notwithstanding the shift to a more democratic political system. However, the fall of the New Order did slightly weaken their position for a few reasons. First, democratisation of Indonesia’s political system – which followed quickly after President Suharto’s resignation in May 1998 – removed key obstacles to organisation by groups that had previously been excluded from the policymaking process such as NGOs and the poor, making it easier for them to engage in collective action aimed at producing pro-poor policy reform. Second, democratisation created an incentive for politicians and their political parties to promote policies that favour these groups because of their electoral power. And, finally, decentralisation of political authority to the district (*kabupaten*) level – enacted through two laws in 1999 – strengthened the ability of NGOs, the poor, and other groups to access and monitor policymaking and implementation by bringing it closer to them (Antlov 2003; Rosser *et al.* 2005).

Within this context, Indonesia’s political elite moved to strengthen the legal basis for UFBE in an apparent attempt to respond to popular demand for change in this area. Under the New Order, UFBE had been provided for in regulations such as *Instruksi Presiden* (Presidential Instructions). In 2000, the members of the People’s Consultative Assembly (MPR) amended the 1945 Constitution to provide all Indonesian citizens with the right to obtain an education. In 2002 they further amended the Constitution to introduce requirements for citizens to pursue a basic

7 In addition to expensive, high quality private schools and moderately expensive, good quality private schools, Indonesia has many inexpensive, low quality private schools that service the poor. Often these are run by religious organisations but some are run by secular charitable foundations. So-called ‘open schools’ (*sekolah terbuka*) – private schools that explicitly service children from poor and disadvantaged backgrounds and which are co-located with or otherwise attached to government schools – fall into this category. Open schools are also known as *Taman Kegiatan Belajar Mandiri*, literally Independent Study Activity Centres.

education and for the government to fund it.⁸ Finally, in 2003, these changes were reinforced by Law 20 on the National Education System (hereafter Law 20/2003) in which Article 34 (2) states that central and regional governments will between them 'guarantee the implementation of compulsory education at a minimum at the basic education level *without charging any costs*' (italics added).⁹ The effect of these changes was to give UFBE a much firmer standing in Indonesian law.

Following his victory in the 2004 election, President Susilo Bambang Yudhoyono (SBY) introduced a range of measures to promote the implementation of UFBE. He had campaigned on a platform that included 'improving access to quality education,' especially for poor and disadvantaged people (Yudhoyono and Kalla 2004: 62–3). UFBE, among other policy initiatives in the education system, provided an opportunity to build a base of support within one of the few institutional structures that extended throughout the country, an important factor given the organisational weakness of his personal electoral vehicle, the Democrat Party. And, with Indonesia's lower and middle classes having long-standing concerns about the cost of education in Indonesia, it served to enhance his popularity among groups whose votes would be crucial to the outcome of the 2009 elections.¹⁰

The first measure his government introduced to promote implementation of UFBE was to dramatically increase government spending on the education sector. As Figure 4.1 shows, public expenditure on education increased significantly after 2004, as a percentage of GDP and as a proportion of total government spending. Some of this increase was due to rises in teachers' salaries following the introduction in 2005 of new allowances for teachers who met certification requirements (World Bank 2007: 34). But the most important measure – both financially and in terms of our concerns in this paper – was the introduction of the School Operational Assistance (BOS) programme in 2005. Funded through cuts to central government fuel subsidies, the programme sought to realise UFBE in Indonesia¹¹ by providing funds directly to government and private primary and junior secondary schools on a per pupil basis to cover 'operational' costs such as those related to the registration of new students, the purchase of textbooks, the production of report cards, stationery, teacher development and training, remedial teaching programmes, and examinations. Schools that collected less in fees than

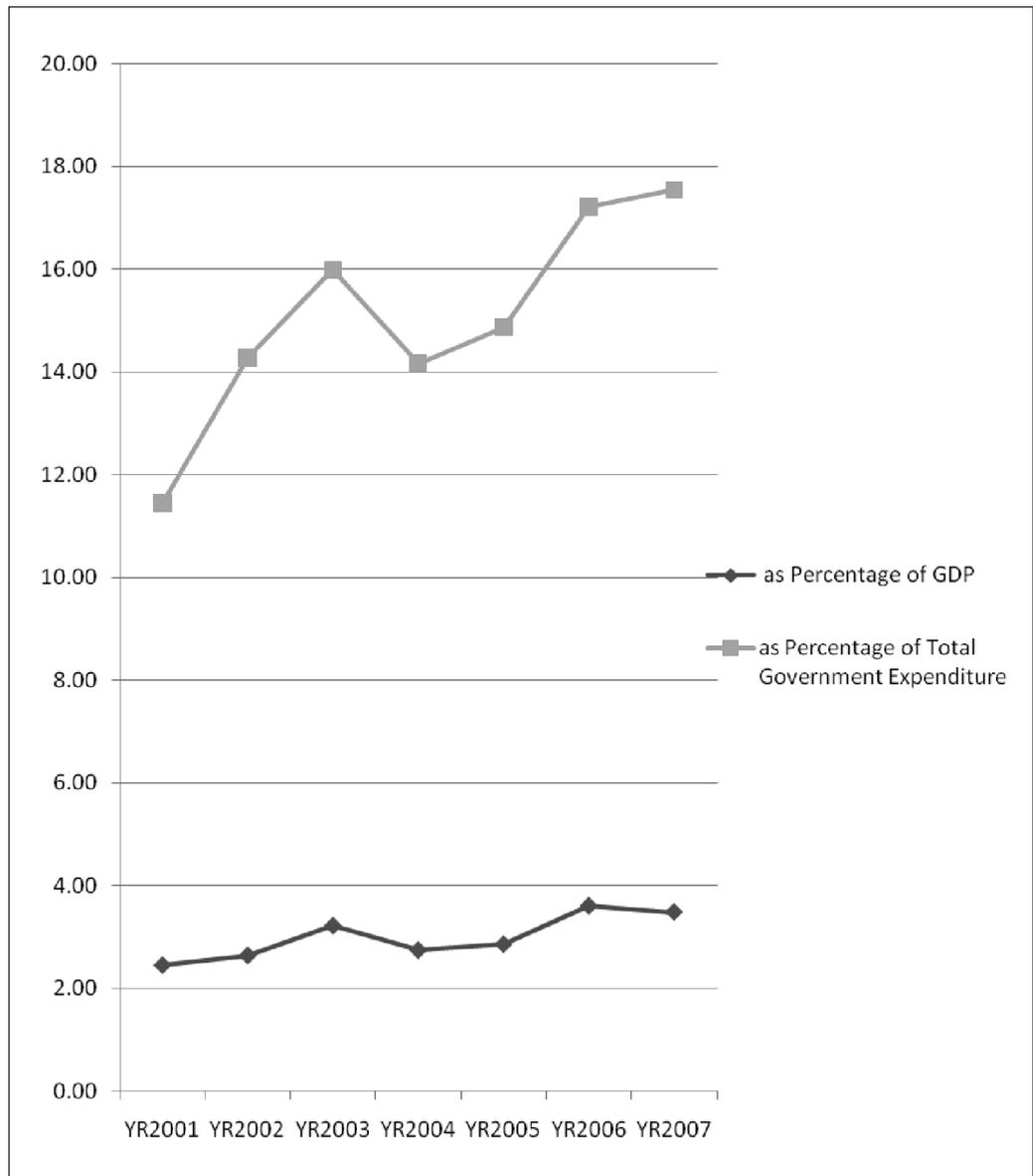
8 Prior to these changes, the 1945 Constitution had provided all citizens with a right to 'instruction' (*pengajaran*) (Article 31 [1]) but did not state clearly or even imply that this should be free.

9 The New Order version of this legislation, Law 2/1989 on the National Education System, had not contained a clear statement that the compulsory basic education programme was to be free.

10 It is important to note that although UFBE had been provided for in changes to the 1945 Constitution and the 2003 Education Law – and in that sense were already government policy before Yudhoyono's election as President – he could have delayed its introduction had he been inclined to do so.

11 The Department of National Education's Strategic Plan for 2005–2009 states this explicitly: 'Through the BOS subsidy policy, the government will realize "free basic education", which is interpreted as limited free of charge' (p21) (italics in original). The 2005 Guidelines for the BOS programme also emphasise the role of BOS in realising free basic education, declaring that the programme's objective is 'to provide assistance to schools in order that they can exempt students from school tuition' (Hastuti *et al.* 2006: 3).

Figure 4.1 Public spending on education in Indonesia, 2001–2007



Source: World Bank, *World Development Indicators* online database.

the amount they were entitled to in BOS grants were required to eliminate fees altogether while schools that collected more in fees were required to eliminate fees by the same amount as they were entitled to receive in BOS funds while giving priority to poor students (World Bank 2007: 17). The central government has pumped significant sums into the BOS programme since its start: in 2008, for instance, it accounted for 23 per cent central government spending on education and 9 per cent of total public spending on education (World Bank 2008: 43).

The second measure the Yudhoyono government introduced to promote implementation of UFBE was to issue various implementing regulations, such as Minister of Education Regulation No. 11/2005 on Textbooks, and Government Regulations 47 and 48 on Compulsory Education and Education Funding

respectively, and to instruct regional governments to produce their own local regulations to enable implementation of free basic education within their respective regions.¹²

Finally, the third measure SBY introduced was a large-scale public information campaign to promote awareness of the government's free basic education policy. Timed to coincide with the 2009 elections, this campaign involved blanket advertising across all forms of media – newspapers, television, radio, and the internet.

Picture 4.1 'Free Education' campaign advertisement



Note: The advertisement reads: 'Free Schools are everywhere... one burden gone.'

Source: Department of National Education Website

Together these initiatives had a significant short-term positive impact on enrolment levels in primary and junior secondary education. According to figures from DONE, participation rates among children of junior secondary school age (i.e. 13–15 years) improved significantly following the introduction of the BOS programme, while remaining at already high levels among students of primary school age (i.e. 7–12 years) (see Table 4.1). At the same time, drop out rates at both primary and junior secondary levels declined, particularly at primary school level (see Table 4.2). Finally, non-progression rates for primary school graduates also declined. Although they increased sharply between 2006/2007 and 2007/2008, they were still significantly lower than in the years prior to the introduction of BOS (see Table 4.3). It also appears that these legal and financial changes produced a shift in enrolments away from private schools to government schools.¹³

However, these legal and fiscal changes do not appear to have completely eliminated user fees at government primary and junior secondary schools in Indonesia. *Formal* user fees appear to have persisted at many schools, particularly 'favourite' schools. Media reports on conflicts over user fees in Jakarta, for instance, suggest that registration and monthly tuition fees, two of the most costly formal fees, have persisted at these schools (see, for instance, Beritajakarta.com

12 In Jakarta, the governor Fauzi Bowo introduced UFBE prior to the Sudibyo instruction. See Jakarta Basic Education Agency Head's Regulation No. 2/2007 and Circular (*Surat Edaran*) Prohibiting School Fees, dated 14 November.

13 Recent media reports have suggested that many private schools experienced a decline in enrolment levels in 2009 as students left these schools in favour of now cheaper government schools (see, for instance, *Kompas.com* 2009).

Table 4.1 National participation rates

<i>% of children within a specified age bracket who attend school</i>					
	03/04	04/05	05/06	06/07	07/08
7–12 years	99.03	99.03	99.44	99.77	98.9
13–15 years	75.83	76.38	86.48	84.95	85.48
16–18 years	50.63	53.83	52.8	57.09	56.79

Source: Ministry of National Education, *Ikhtisar Data Pendidikan Nasional Tahun 2007/2008*, Jakarta: Ministry of National Education.

Table 4.2 National drop out rates

<i>% of students at a particular level of schooling who drop out divided by the total number of students at that level of schooling</i>					
	03/04	04/05	05/06	06/07	07/08
Primary School	2.92	2.75	2.9	2.21	1.63
Junior Secondary	2.48	2.49	1.78	2.52	2.22
Upper Secondary	2.54	2.9	2.83	3.84	2.33

Source: Ministry of National Education, *Ikhtisar Data Pendidikan Nasional Tahun 2007/2008*, Jakarta: Ministry of National Education.

Table 4.3 Non-progression rates

<i>% of graduates not progressing to next level of schooling</i>					
	03/04	04/05	05/06	06/07	07/08
Primary School	18.94	16.89	7.91	4.52	10.54
Junior Secondary	26.06	24.88	19.06	19.26	13.66
Upper Secondary	31.38	46.66	54.78	54.94	35.65

Source: Ministry of National Education, *Ikhtisar Data Pendidikan Nasional Tahun 2007/2008*, Jakarta: Ministry of National Education.

2009; *Pos Kota* 2007).¹⁴ Our interviews with parents from lower class backgrounds in Jakarta in October 2009 highlighted that while their children's primary or junior secondary schools were no longer charging these fees, they were in some cases charging new formal fees such as for building costs, suggesting that the problem has been shifted not eliminated. *Informal* user fees have persisted at a large proportion of government schools, regardless of their popularity. Some informants reported that schools were charging inflated amounts for items such as excursions while teachers were continuing to demand bribes and engage in extortion. In particular, the long-standing practice of students being forced to take private lessons delivered by teachers appears to be continuing. Several informants also told us that schools were continuing to raise fee income by selling books to parents, although now using teachers' cooperatives rather than directly, the latter being explicitly prohibited under 2005 legislation.¹⁵ Finally, we heard that many schools often asked parents to make 'voluntary contributions' (*sumbangan sukarela*) and that this is done in a way that generates fear of reprisal or social sanction if refused.¹⁶ At the same time, ICW and the Corruption Eradication Commission (KPK), the government anti-corruption agency, have received large numbers of complaints about corruption in schools, including the illegal charging of user fees.¹⁷ The national Ombudsman's office has also received such complaints.¹⁸

The evidence presented above suggests that both formal and informal fees have persisted. We suggest that there are three main reasons for this, all of which reflect the continuing power of politico-bureaucratic and corporate elements in the post-New Order period.

4.1 The politics of education funding

The first reason is that notwithstanding the introduction of the BOS programme and the more general increase in government spending on education, the Yudhoyono government has not provided sufficient additional funds to realise UFBE. According to a recent World Bank (2009) report, while the BOS programme has increased schools' operational budgets by around 30 per cent on average, it has not always covered all their operational costs. In many regions, local governments have topped-up BOS funds from their own budgets but in some regions they have not provided much if any top-up funding, leaving schools in these regions short of the necessary funds.¹⁹ A complicating factor has been the central government's introduction of Minimum Service Standards (MSS) for basic education which have

14 As further evidence of this practice, one parent at SDN Percontohan IKIP in Rawamangun provided us with letters from that school to parents outlining enrolment and tuition fees for 2008–9 and the methods by which they should be paid.

15 Interview with Usman Sumapraja, a former Chairman of the School Committee at SMP 213 in Jakarta, and activists from Auditan, Jakarta October 2009.

16 Interview with Eko Ciptadi, Director of Education and Public Services, KPK, October 2009.

17 See *Media Indonesia* (2008) and *Kompas.com* (2008).

18 Interview with Erna Sofwan Sjukrie, a board member at the National Ombudsman., October 2009.

19 We wish to thank Rosdiana Sijabat from Atma Jaya Catholic University and Flinders University for her insights on this point.

effectively increased the amount of money schools need to cover operational costs.²⁰ Within this context, some government schools have had to maintain user fees illegally in order to simply deliver the minimum services required of them by the central government. At 'favourite' schools where, given the generally middle class background of students, there has been strong demand for education that exceeds the MSS, the funding shortfall has been even more pronounced, with obvious consequences on fee levels.

These funding inadequacies reflect resistance on the part of politico-bureaucratic, corporate, and donor elements to significant increases in education spending as much as any objective shortage of government funds. Among the amendments made by the MPR to the 1945 Constitution in 2002 was a new requirement for central and regional governments to spend 20 per cent of their respective budgets on education (Article 31 (4)). Given the placement of this provision in the same Constitutional Article that confers a right to education on Indonesian citizens and an obligation on the government to fund basic education, its intended purpose appears to have been to ensure the availability of funding to help realise UFBE. In Law 20/2003, the DPR went further, specifying that this 20 per cent should not include teachers' salaries, the largest single item of education expenditure in Indonesia, in effect requiring the central and regional governments to spend beyond 20 per cent of their budgets on education. Both of these changes were supported by politico-bureaucratic elements in the education sector – such as those associated with the Indonesian Teachers Association (PGRI), a New Order corporatist organisation that survived the fall of Suharto and the country's largest teachers' union – on the grounds that big increases in education spending were required to achieve the country's education objectives and there would not be enough money available to fund the non-wage related costs of education unless salaries were excluded from the 20 per cent spending requirement.²¹

But they encountered significant resistance from senior business figures, most notably Vice-President Jusuf Kalla, one of Indonesia's wealthiest businessmen; technocratic policymakers such as Finance Minister Sri Mulyani Indrawati; and members of the donor community, notably the World Bank – all of whom expressed strong concern about their budgetary implications (Bekasinews.com 2007; Indopos 2007; World Bank 2007). At the same time, politico-bureaucrats outside the education sector manoeuvred to appropriate education resources to enhance their own sectoral budgets. In 2007, this opposition led a university professor and a school teacher from South Sulawesi, rumoured to be backed by Jusuf Kalla, to initiate a Constitutional Court case against Law 20/2003 on the grounds that excluding teachers' salaries from the 20 per cent target contravened Article 31 (4) of the 1945 Constitution (the article which introduced the 20 per cent spending requirement). The Constitutional Court upheld their challenge. Government policy-makers have also sought to further reduce the scope for big increases in education

20 Costings of the MSS by the Asian Development Bank and other donors suggest that BOS funds fall well short of the amount of money needed to fulfil these standards. Interviews with Erita Nurhalim from the Decentralisation Support Facility and an anonymous World Bank official, Jakarta, October 2009.

21 See comments attributed to Aziz Hussein, Chairman of the Board of the PGRI in *Seputarindonesia.com* (2008).

spending by including apparently non-education-related expenses in the way in which education spending is calculated for the purposes of determining compliance with Article 31 (4).²²

Finally, this resistance also led to negotiations between DONE and the Ministry of Finance over the scope of free basic education – that is, the extent of its universality. The outcome of these negotiations was a decision to limit free basic education to less well-off students only, significantly reducing the cost of the policy.²³ Accordingly, in 2006, DONE revised the Guidelines governing the BOS programme such that the objective was henceforth ‘releasing less well-off students from education costs and reducing the costs for other students,’ rather than realising *universal* free basic education (Hastuti *et al.* 2006: 3; italics added). In Government Regulation 48/2008 on Education Funding, the central government then explicitly granted permission to ‘international standard’ schools (SBI) and schools that are trying to develop ‘a basis of local superiority’ to continue charging fees, a policy that had the same effect while being easier to implement.²⁴ Following this Regulation, DONE again revised the BOS Guidelines such that the programme was now aimed at freeing *all* students at government primary and junior secondary schools from the operational costs of schooling *except for* those attending SBI and schools that are in the process of upgrading to international standard (RSBI). These changes made it legal for SBI/RSBI to continue charging *formal* user fees such as registration and monthly tuition fees while at the same time allowing them complete discretion over the magnitude of these fees. In terms of Table 2.1, they effectively shifted these fees from Box D to Box C. As noted earlier, many of these schools – schools classified as SBI/RSBI all fall into the ‘favourite’ school category – appear to have taken advantage of this situation to continue charging formal fees.

4.2 The politics of school governance

A second reason why user fees have persisted at government primary and junior secondary schools in Indonesia has been that the formal abolition of user fees has not been accompanied by more participatory school governance. School governance was dominated by politico-bureaucratic elements during the New Order period, with the result that schools were run in a top down manner that served the interests of these elements rather than those of parents and schoolchildren. As one dimension of this, most schools during the New Order established Education Implementation

22 The government claims that it is now spending the mandated 20 per cent of its budget on education. But critics such as Roy Salam from the Indonesia Budget Center have argued that this is the result of some creative accounting. See ‘Anggaran Pendidikan 2010 Dipertanyakan,’ *Koran Tempo*, 5 August 2009.

23 Interview with Prof Dr Mansyur Ramly, Head, Research and Development Agency, Department of National Education, Jakarta, February 2010.

24 The Department of National Education classifies schools into four quality groups: international standard, national standard, model, and regular. It is unclear where schools that are trying to develop ‘a basis of local superiority’ fit in this schema. There is also considerable ambiguity about what makes a school ‘international standard’ (see Kustulasari 2009: 53–9 for a discussion), although the Department of National Education’s Strategic Plan for 2005–2009 envisages 112 such schools throughout the archipelago (Department of National Education 2005: 28).

Assistance Boards (BP3) which brought together principals, teachers and parents to, among other things, consider ways to raise funds for school activities. But while parents were represented on these boards, principals and teachers generally controlled them (Bray 1996: 21). Indeed, these boards were widely regarded as little more than a mechanism by which politico-bureaucratic elements extracted money out of parents – Bjork (2005: 124), for instance, notes that the BP3s at the schools he studied focused mainly on fundraising. Given that parents were not otherwise incorporated into school management structures, there was consequently little opportunity for them to influence school policy- and decision-making with respect to fees.

Following the fall of the New Order, the Indonesian government moved to address this situation by promoting the establishment of school committees (*komite sekolah*) (Minister of Education Decree 44/2002 on Education Boards and School Committees). While this Decree did not explicitly require the abolition of BP3s, its intent appears to have been to replace them with school committees as the main mechanism by which parents participate in school-level decision-making. According to the Decree, school committees should ‘provide a place for community participation in the framework of increasing the quality, equity, and efficiency of education management.’²⁵ The Decree and other policy documents have also invested school committees with considerable authority – for instance, to approve school budgets, advise the principal in relation to a range of key issues, support the principal in implementing educational activities, and ensure transparency and accountability in school management – meaning that, if genuinely participatory, they could dramatically change the relative authority of politico-bureaucratic elements and parents in school decision-making.

However, politico-bureaucratic elements have successfully resisted the development of genuinely participatory school committees at most schools. Although the Decree requires school committee members and chair to be selected through a consultative selection process, school principals have often simply appointed them without consultation. Alternatively, school principals have actively lobbied for the selection of particular candidates and used intimidation and other unfair practices to get their way. The fact that parents have often lacked the education, expertise and confidence to properly monitor school decision-making, particularly in poor communities where education levels and levels of professional expertise among parents are low, has enabled school principals to dominate committee decision-making regardless of the selection process (Suparlan 2009; Irawan *et al.* 2004: 73).

The result has been that school committees, like the BP3 before them, have generally been harnessed to the rent-seeking agenda of politico-bureaucratic elements within the education system rather than being used to promote and protect the interests of parents. A number of parents we interviewed about the role of school committees, for instance, suggested that school committees had generally acted to defend rather than eliminate user fees and to replace them with other types of fees to the extent that these fees had had to be abolished as a result of the implementation of UFBE. Specifically, as fees associated with Box C

25 See Annex II, paragraph D.1.1 of the Decree.

in Table 2.1 such as enrolment and monthly tuition fees had been eliminated, pressure on parents to make voluntary contributions and pay fees associated with the other boxes had increased. To be sure, in some cases, parents concerned about the size and legality of school fees have been able to gain control of school committees, and use the associated authority to reduce corruption in school management and keep a lid on fees.²⁶ However, education activists suggest that this scenario has been relatively rare and that principal domination of school committees has been the norm.²⁷ And even where parents have gained control of school committees, or have otherwise been able to mobilise for collective action, they have had difficulty getting the state to enforce children's rights to free basic education for reasons we examine below.²⁸

4.3 The politics of enforcement

A final reason why fees have persisted at government primary and junior secondary schools in Indonesia has been that neither local basic education agencies nor the various state institutions that make up the justice system have been willing to enforce children's rights to free basic education, reflecting the fact that these institutions are dominated by politico-bureaucratic elements. According to NGO activists, politico-bureaucratic elements at local basic education agencies have generally been unwilling to take action against school principals and teachers in response to parents' complaints about illegal school fees – i.e. those associated with Boxes B and D (Table 2.1) – because they have had a vested interest in the preservation of such fees. In cases where they have taken action, the penalties for school principals and teachers have been fairly light – transfer to another school rather than demotion or dismissal.²⁹ Parents groups have also generally found the police force and the Attorney-General's Office (AGO), both dominated by politico-bureaucratic elements, unresponsive to their concerns. For instance, when one parent we interviewed asked the police to help address illegal fees at his child's school, he was told the police could only carry out an investigation if he and other parents first provided them with the funds to do so³⁰ – in other words, they used it as an opportunity to extort money out of him and fellow complainants. With respect to the AGO, the problem has been an apparent unwillingness on the part of prosecutors to pursue small corruption cases, probably – given that corruption is endemic within the AGO – because such cases tend to yield fewer rent-seeking

26 For instance, former members of the school committee at SMP 213 in the Klender-Malakjaya area of Jakarta claim that they were able to get school fees reduced following the election of Usman Sumapraja as chair of the school committee in around 2003. Interviews with Usman Sumapraja and Jumono, a former committee member.

27 Suparlan (2009). Interviews with Ade Irawan and Febri Hendri from ICW and Jumono from Auditan, October 2009.

28 Again, the case of SMP 213 is a good example. See footnote 26 above.

29 For instance, no less than four principals of SDN Percontohan IKIP in Rawamangun, a school about which there have been long-standing allegations of corruption and illegal fee charging, have been transferred since the early 2000s. Interviews with Isnety Saibi, a former teacher at the school, and Handaru Widjatmiko, a parent whose child attends the school and a member of Auditan.

30 Interview with Jumono, a former member of the school committee at SMP 213 and currently an activist with Auditan.

opportunities than other cases.³¹ Many parents have lodged complaints about illegal school fees with the Corruption Eradication Commission (KPK), which has the power to arrest people suspected of corruption and prosecute them in special corruption courts and which has displayed some real teeth in pursuing corruptors. But the KPK cannot act as it is restricted to dealing with large-scale corruption – that is, corruption that results in a minimum state loss of Rp1 billion (Davidsen *et al.* 2006: 49) – whereas schools are typically involved in small-scale corruption.

The national Ombudsman's office has not provided an effective mechanism through which parents could pursue their complaints either. Politico-bureaucratic elements do not appear to be a particularly strong force within the Ombudsman and it has had the authority to monitor and examine public complaints relating to the provision of public services. But it was constrained prior to the passage of the 2008 Ombudsman Law and the 2009 Public Services Law because it did not have the authority to compel government agencies or individual civil servants to respond to its inquiries, reports or recommendations or to take legal action against them. At the same time, it was grossly underfunded, with the result that it lacked the capacity to carry out many investigations in the first place (Davidsen *et al.* 2006: 58; Sherlock 2002). Since the enactment of the two laws just mentioned, its position has been strengthened a little – for instance, its recommendations are now considered 'final and binding' (that is, they cannot be appealed) and it has been granted new powers to subpoena people through the police.³² But compared to the KPK or AGO, it still remains a weak and underfunded organisation.

In desperation, some parents' groups have appealed to members of local parliaments for assistance. But while local parliamentarians have often expressed public support for these groups,³³ they have lacked the authority to compel the police, the AGO, or the respective regional education agency to act against school principals and teachers who charge illegal fees, reflecting their position within the legislative rather than executive arm of government. At best, the media attention their comments have generated has increased pressure on local basic education agency officials to take action, although as noted above, to the extent that this has happened, it has tended to result in fairly light penalties for offending principals or teachers.

5 Implications

We have argued that realising UFBE in developing countries is not simply a technical/administrative matter of ensuring adequate funds are effectively delivered to schools to replace funds raised through user fees but also a political problem related to unequal power relations. In particular, we have argued, it is a problem

31 Interview with Ade Irawan, ICW, October 2009.

32 Interview with Erna Sofwan Sjukrie, Surrachman and Nugroho Adiyanto from the Ombudsman's office, Jakarta, October 2009.

33 See, for instance, Beritakota.co.id (2009) and DPRD DKI Jakarta (2006).

of coalitions of interest that support the maintenance of user fees prevailing over those that have an interest in their elimination in struggles over issues to do with UFBE. To illustrate this point, we have examined Indonesia's difficulties in realising UFBE since the fall of the New Order in the late 1990s. Indonesia has had difficulty eliminating user fees because politico-bureaucratic and corporate elements have maintained their political dominance in the post-New Order period and, as such, been able to exercise significant influence over education funding decisions, school governance, and the bureaucracy and justice system. This has meant that government schools delivering basic education have lacked the financial resources they require to provide education free of charge, parents have lacked the ability to influence school-level decisions about the imposition and size of user fees, and opponents of user fees have been unable to enforce their children's constitutional rights to free basic education.

The key implication of our analysis is that efforts to realise UFBE in developing countries need to go beyond ensuring the adequacy and effective delivery to schools of replacement funding to finding ways of empowering coalitions of interest that are opposed to user fees. But how and under what conditions can this be achieved? Where scholars have viewed the introduction of UFBE as a political process they have often emphasised the role of 'political will' in creating the conditions for UFBE, understanding this in essentially voluntarist terms – that is, in terms of political leaders' capacity for autonomous action (Akyeampong 2009). But such perspectives ignore issues of power relations and empowerment and hence are not particularly helpful in addressing this question. In an important and innovative recent study that examines the politics of UFBE in Brazil, Ghana and Taiwan, Kosack (2009) suggests a more sophisticated approach, arguing that a shift in power relations in favour of the poor will occur in two circumstances: when employers require large numbers of skilled workers to grow their businesses and when 'political entrepreneurs' – whom he defines as people who try to mobilise the poor for their own political purposes – generate support from the poor and need them for their political survival.³⁴ The first circumstance, he suggests, is unlikely to materialise in most developing countries because employers nowadays tend to look abroad when facing labour shortages, rather than pressure their national governments to improve local labour supply, as he says happened in Taiwan. And in many developing countries employers requiring unskilled labour can 'fear' education as it will reduce the pool of potential employees willing to work as unskilled labour, will lead to out migration and will reduce their comparative advantage by pushing up wages (Tendler 2002). Kosack suggests that the second circumstance is more likely to occur in developing countries, particularly where democratisation has increased the scope for the poor to organise and participate in the policymaking process. Accordingly, he (2009: 516) argues that: 'It is this political entrepreneurship that the international community must encourage if it is to realise EFA for the unfortunate children whose governments do not today possess political will.'

34 Kosack's analysis focuses on the concept of political will, like much other politically-focused work on UFBE. However, he sees a prior shift in power relations as being a *precondition* for the emergence of the political will required to introduce and implement UFBE.

Our analysis of the Indonesian case provides some support for this conclusion. SBY can be seen as a political entrepreneur. Although not connected directly to the lower classes through organisations such as trade unions or peasant associations, he actively sought to mobilise their support through his government's promotion of UFBE and was reliant upon this support to remain in power.³⁵ However, it is clear that his political entrepreneurship has not been enough to ensure the complete elimination of user fees in government primary and junior secondary schools. The continued dominance of the politico-bureaucrats, corporate elements, and donors has prevented his promotion of UFBE from translating into the required funding to realise UFBE, more participatory school-level governance, and easier access for parents and other groups opposed to user fees in basic education to justice mechanisms. This suggests that the international community needs to focus, not just on encouraging pro-UFBE political entrepreneurship, but also on encouraging changes that serve to empower coalitions of interest that are opposed to user fees *vis-à-vis* competing coalitions.

Much recent work in political economy has suggested that one way of empowering coalitions of interest is to enhance their capacity to organise for collective action. It is argued that the ability to organise is a key source of power because it translates into a capacity to influence public opinion (and hence electoral outcomes), cause disruption, and otherwise exert pressure on politicians and bureaucrats (UNDP 1997; Whitehead and Gray-Molina 2003). As the authors of the 1997 *Human Development Report* succinctly put it: 'Isolated and dispersed poor people have no power and no influence over political decisions that affect their lives. But organised, they have the power to ensure that their interests are advanced' (UNDP 1997: 95). Further, the ability to organise is one of the few sources of power that the poor can potentially utilise – others such as control over investment resources (structural power), control over weapons (military power), control over ideas (ideological power), or occupation of the state apparatus (instrumental power) being denied them by virtue of their poverty and exclusion from positions of political and bureaucratic authority.

Recent research on the politics of service delivery in developing countries has suggested that enhancing the capacity of the poor to organise for collective action is crucial to empowering them in relation to service delivery issues in particular (Joshi 2007: 71; Gaventa and Barrett 2009). It has also pointed to the importance of state structures in either enabling or constraining collective action by the poor. States differ in terms of their responsiveness to the needs of the poor, reflecting in part the extent to which institutionalised mechanisms exist for the poor to contribute to policymaking and implementation. The creation of participatory spaces, it is argued, can lead to collective action that ensures better implementation of policies related to basic services (Joshi 2007; Houtzager *et al.* 2008).

35 Of course, all presidential candidates in Indonesia make appeals to the lower classes as part of their election campaigns. SBY's difference lies in the fact that he has been a more effective political entrepreneur than his opponents, largely because he has gone beyond pro-poor rhetoric to actually deliver something to the poor, even if as with the case of UFBE, this has been imperfect.

Our analysis of the Indonesian case suggests that enhancing the capacity of parents, particularly poor parents, to organise while strengthening institutionalised spaces for participation, such as school committees, may help to empower coalitions of interest in developing countries that are opposed to user fees. To the extent that Indonesian parents who are opposed to user fees have actively resisted these fees, it has either been because they have been organised by radical NGOs, as in the case of poor parents, or they have been able to self-organise, as in the case of middle class parents. This activity has not been very effective so far largely because school committees have continued to be dominated by school principals and teachers, and the education bureaucracy and the justice system have been unresponsive to parents' attempts to seek redress when their children's rights to free education have been breached. And it is hard to see how change will occur in the absence of organised action. But our analysis suggests that institutionalised spaces for participation such as school committees can serve to facilitate collective action on the part of parents, making them a potentially valuable mechanism for promoting parental participation in decision-making about user fees. By opening up the possibilities of participation in school management and access to information about budgets, the introduction of school committees has created an incentive for parents to organise. And, as we have seen, where parents at the school level have been organised enough to gain control of school committees, they have been able to make some progress in reducing user fees.

The unresponsiveness of the bureaucracy and justice system to parents' demands for justice points to a third set of changes that may serve to empower coalitions of interest that are opposed to user fees – the creation of institutionalised pathways for seeking redress. In the Indonesian context, institutions such as the KPK and the national Ombudsman could make a difference to parents prospects for gaining redress because they would provide an alternative pathway to the police and AGO, both of which are dominated by politico-bureaucratic interests. But the respective weaknesses of the KPK and Ombudsman would need to be addressed first – i.e. the former's mandate to deal only with large scale corruption cases and the latter's lack of resources and legal authority. In other countries, the creation of such institutions according to a design that addresses these sorts of problems could potentially help create political environments conducive to UFBE in these countries.

On the whole, the Indonesian case suggests that the goal of universal fee-free education for all is attainable, but only if coalitions of interest are empowered to influence policy, demand accountability and seek redress against illegal fees. And this is clearly not easy to achieve. A number of factors need to come together for it to happen: political entrepreneurship that creates an imperative for leaders to promote UFBE, collective action on the part of parents opposed to user fees facilitated by the creation of institutionalised spaces for their participation in decision-making, and the creation of institutionalised pathways for parents to seek redress. Such changes will in turn only be brought about by a continued process of political struggle.

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