Private School’s Response to Government Policy A Case Study of Catholic and Muhammadiyah Participatory Roles in Education

DYAH MUTIARIN, MARKUS BUDIRAHARJO, ACHMAD NURMANDI, ZULY QODIR, RETNO MULYANI AND RISANG BASKARA

ABSTRACT

Indonesian religion-based private schools are generally perceived either as highly elitist, targeted for the well-off group, with great school facilities and well-prepared teachers, or largely impoverished, intended to serve the marginalized, housed in dilapidated buildings, and taught by poorly prepared teachers. The objective reality, however, is much more nuanced than such a dichotomistic view. This paper reports a study to investigate the impacts of officially mandated regulations on two types of private schools, run by Muhammadiyah and Catholic groups in two provinces of Indonesia. Using mixed methods to tap into both quantitative and qualitative data, the study gathered data from 92 schools in the provinces of Yogyakarta and Central Java. The data suggest that the majority of these schools are stifled with unfriendly policies issued by national and local authorities, while still maintaining their capabilities to serve their students.

Keywords: capability, religion-based schools, regulatory changes, Indonesian schools, participatory roles, civil society organization

BACKGROUND

Civil society’s contributions in the provision of educational services are a highly dynamic phenomenon across the world. Extant literature in this field is rich with spiritual, social, religious, cultural, and economic consider-
ations that support the emergence of civil society’s participations. Bryk, Holland, & Lee (1993) showcase how small, Catholic schools remain to play a big role in the face of massive public schooling system in the US. It is found that private schools retain their positive contributions since they strongly hold ideological ideals, such as carrying out humanistic values, maintaining a high expectation culture, and focusing on personal regards. McEwan (2000) also raises the importance of private schools under a highly repressive regime. The schools were found to be effective even when the political atmosphere was very dire and unconducive for democracy in Chile. Alderman, Orazem, Paterno’s (2001) study of the contributions of private schools in Pakistan shows that the presence of private schools in poor socio-economic societies is of paramount importance.

A similar phenomenon occurs in South East Asian countries (Cummings, 2008). With more than 246 millions of citizens spread among its 17,000 islands, Indonesia encounters highly complex challenges in the provision of public services, including the provision of compulsory education. Historically speaking, the provision of educational services was in line with the social, cultural, and political dynamics among nationalists and religious groups decades prior to Indonesian independence (Haryono, 2009; Subanar, 2003; Rosariyanto, 2008; Sirozi, 2004). It is generally admitted that private schools had significantly contributed in the formations of patriotic groups to support the independence struggles. Up to this day, empirical evidence obtained from private schools demonstrates the inherited qualities among today’s generation. Bedi & Garg’s (2007) study yields compelling findings about better long-term qualities of private schooling experiences among their graduates. Those attending private primary schools were more likely to get better job, have better salaries, and earn better living. James, King, & Suryadi (1996) investigated the financial management of the private schools in comparison to the public schools. It was found that private schools are much more efficient than their counterparts. Drawing upon their long presence, significant contributions to this country, and the huge complexity faced by the government, Bangay (2005) contends that private schools in Indonesia are to remain a significant player in the provision of educational services to Indonesians.

Since its independence in 1945, Indonesia itself has grown into a state governed by some hegemonistic repressions over civil society in the face of socio-political unrests (Cribb, 1993). Accordingly, despite apparent evidence of such significant contributions of these private primary schools run by civil society, systematic discriminations have been strongly ingrained in the minds of the bureaucracy. First, a case in point, one of the most recent, state-funded joint review of educational enterprises up to the 20th century does not touch the contribution of civil society at all,
let alone religion-based educational schools (Board of the National Standards of Education, 2010). Second, the widely shared belief, even among scholars, refers to a dichotomic view (e.g. Rosser & Joshi, 2013) of private schools in Indonesia. Private primary schools are generally seen either as highly elitist (with glaring facilities, intended for the well-off families, located in highly strategic places in high-end neighborhood) or poorly managed (with insufficient facilities, low quality of services, teachers with minimum teaching competences, housed in dilapidated buildings). Third, the lack of acknowledgment has been apparent in verbal expressions and attitude of some dignitaries of the Department of Culture and Education (Mujiran, 2014, in press). It was reported that Muhammad Nuh, the former Education Minister, assaulted private schools over additional school fees.

Educational services are a dynamically complex enterprise, requiring continuous collaborations and improvements from many parties. On the one hand, an educational enterprise is volatile to ups and downs of social, economic, and cultural forces. As noted by Jones & Hagul (2001), the demise of the New Order in 1998 had caused up to 30% of Indonesian children to drop out of their elementary schools. Increasing student enrollments during its three-decade reign was washed away by the sudden political and economic turmoil. On the other hand, a big amount of money provided to improve the quality of education does not necessarily correlate with improved results. Suryadarma (2012) underscores the findings that despite the huge amount of money spent by the government to improve public schools, significant results are not attained. Such complexity sends a strong message that a high degree of success in educational services is not reducible to financial components. There has been an increasing awareness that school people in the field live a legacy of the past (Deal & Peterson, 1999; DuFour & Eaker, 1998), which is vividly demonstrated the private schools in this study.

This paper reports a study on two types of private primary schools, namely Catholic and Islamic, in Central Java and Yogyakarta provinces. These schools were rooted in pre-independent social and political movements, more as civil society’s initiatives in response to some pressing needs of young generation to nurture their patriotic spirits and contribute to their motherland. Historically speaking, while maintaining some missions to educate the young, such religion-based movements were replete with a high degree of self-agency (Haryono, 2009). Hardened by political, economic, social, and cultural struggles under the reigns of the Dutch East Indies Authority, the Japanese troops, and later the independent Indonesian government, forefathers of such religion-based schools left some legacy of hard-working spirits, serving attitude, and resilience. This report is set to showcase the legacy of capabilities inherited
by current school people in these two types of schools.

RESEARCH PROBLEMS

Drawing on Amartya Sen’s (1990) works on capability approach, this research is set to identify how unique capabilities of religion-based private schools are explored to respond to both highly mandated laws and poor law enforcements in Indonesia. To get a better understanding of the issue, research questions are proposed. The first question is what are the role of religion-based school for its community? What issues are the religion-based schools encountering in their work? The third question is to what extent do unique capabilities held by private schools allow them to deal with such dire challenges?

LITERATURE REVIEW

In this study, we raise an issue of contributions of private schools in the provision of educational services to the public. Organizations of this nature, commonly referred collectively as a civil society, have also been playing an increasing role in the provision of social services. Considered from different angles, such as theoretical, ideological, political, and economic considerations, such contributions are highly beneficial. A case in point, sub-Saharan Africa regions had enjoyed some health and education services provided by non-state sectors since the colonial era (Robinson and White, 1997).

The provision of some room for civil society to participate in education is known as a form of complementarity (Coston, 1998), where the state allows private sectors to engage in resource sharing, mutual benefits, and information sharing. Other experts in the area assign the phenomenon as center-periphery approach to analyzing private participation in education. Much of the emphasis on fee charging and private education during the 1980s and 1990s was in fact not on primary education but on higher education. It was believed that private participation was crucial for innovation and could allow for more government funding to target basic education (Samoff & Carrol, 2004).

Private schools in Indonesia have provided educational alternatives for the poor and those living in more remote areas, and are sometimes the only options for these students (Christiano and Cumming, 2006). There is a methodological imperative to approach the study of schooling as part of an historical process whose dynamics are internal to it (Postiglione, 2007). However, the grossly abused privatization discourse does not necessarily entail a move beyond the center–periphery platforms associated with promises of national progress. This is actually part of an international process
that pulls East Asian education back into a position that keeps center–periphery platforms relevant. In short, private education has the potential to be part of an exploitative relationship in which core nations are collaborators. Even while the discourse in Asia calls for rejection of selected Western value positions, it has been slower at developing newer analytical categories for schooling-state development experience.

Lockheed and Jimenez (1994) explain three reasons why private participation in basic education plays an important role. First, private education must fill the inevitable gaps offered by public education provision. Private organizations’ participations in this area are motivated by two factors, a differentiated demand arising from a deep-seated religious or linguistic diversity and an offer on the part of an entrepreneur or organization, often religious, to start the schools on a non-profit basis. However, this situation is dynamic, given the fact that countries develop and differentiated demand becomes a bigger motivator of private education. Second, private education systems have been found to foster greater efficiency. These characteristics include a greater flexibility in the way they operate and in the way they are funded, a direct accountability to those who use their services and a greater tendency for those in charge of individual schools to make critical educational decisions (Coleman, Hoffer and Kilgore, 1982). It is often argued that these characteristics enable private schools to provide education more effectively, in other words, to provide the type and quality of education students and their parents’ demand. Finally, Lockheed and Jimenez (1994) contend that private schools can serve as a laboratory for alternative models of school-level management, which, if effective, and accordingly it could be adopted by public schools. Theoretically speaking, private schools are free of the bureaucratic constraints that encumber public schools, and are able to control many more decisions at the school level (Lockheed and Jimenez, 1994).

Other studies have been done to investigate the extent of private participation in educational service provisions. Privately-owned educational institutions are believed to provide educational services that meet parents’ needs which are unavailable in public schools, such as students with particular needs. Park, et al. (2011) find that in addition to formal schooling in public schools, the Korean children are also supported with private tutors (hakwon) in order to allow them excell and enroll in highly prestigious universities. Private schools are considered to have an ample room to manage their own resources, and therefore are more flexible in decision making.

CONTRIBUTIONS OF MUHAMMADIYAH AND CATHOLIC GROUPS
Muhammadiyah is one of the two most influential Muslim organizations in In-
Indonesia. It was established 33 years before Indonesia gained its independence. Since its inception in 1912, it has engaged itself in education, health, and humanitarian and social welfare issues in Indonesia. Today, Muhammadiyah offers a wide range of services. In terms of education, it has 14,000 schools, ranging from kindergarten to high schools; and 197 universities with a great variety of disciplines, such as technical engineering, medicine, economics, law, philosophy, education, and politics. In terms of health services, it has 500 large and small hospitals and clinics. Other social and religious services include 350 orphanages and thousands of mosques (Muhammadiyah, 2012).

The establishment of Muhammadiyah schools was set to provide educational opportunities to indigenous people. In contrast to its major counterpart, Nahdlatul Ulama, Muhammadiyah attempted to purify the renewal of religious beliefs from a modernist perspective. It set to address the existing socio-culturally traditional systems and infuse religious reforms so as to allow the religion to work in harmony with the modern rational thought back to the Koran and Islamic beliefs are. The religious lessons were added with more secular lessons, allowing the students to access science and skills relevant to the challenges of life and work (Ariyanti, 2011).

K.H. Ahmad Dahlan (1868-1923), the Muhammadiyah founder, was known to have combined both boarding school system with a Western schooling system. The lessons learned from boarding school education were Islamic religious subjects, while those taken from the western education system were generally subject and class system (Ariyanti, 2011).

As a civil society organizations, Muhammadiyah and Catholic foundations have a long tradition and history in the management of schools before Indonesia’s independence in 1945. In the 18th and 19th century, a vast network of Qur’anic schools spread across the archipelago (Hefner, 2000). The leaders of these schools were suspicious of Europeans and their native allies, and they located their institutions at a safe distance from state capitals (Hefner, 2000). From the point of view of Catholicism, one of the most influential figures that established the underlying principles of Catholic education in Java was Rev. van Lith, SJ (1863-1926). He arrived in Indonesia in 1896 and established St. Francis Xavier College in Muntilan, Central Java. The school was intended to prepare young people to teach the indigenous children. In fact, some Catholic schools were actually built long before his arrival in Java. Ursuline Sisters was established in Indonesia first in 1858. However, the presence of Rev. van Lith, SJ, brought lasting significance and contribution at larger spheres. First, he maintained a social-anthropological approach in order to transform Javanese culture. His presence in Java was not solely targeted for conversion into Catholicism per
se. His concerns were more on how to help the Javanese people aware of their own values and improve their conduct and behaviors upon the awareness of their own culture. Second, his commitments to creating a group of young people to be highly aware of the existing Javanese culture led him to establish a teachers training school, called St. Francis Xavier College (now van Lith Senior High School) in Muntilan, Central Java (Subanar, 2003; Rosariyanto, 2009). What was carried by Rev. van Lith in teacher education was an effort to assist the transformation of the socio-cultural-anthropological nature of the Javanese community. He identified some negative things among Javanese people, such as maintaining contract-based marriage, and being apologetic and opportunistic. He set out to address such issues through his interactions with his students, students’ parents, and people in general (Rosariyanto, 2009).

Based on the Census 2011, the number of Catholic people in Indonesia is 3.5 per cent, and the Muslims are 87.2 per cent. It is worth noting that despite being observed by the majority, Islam is not used as the Indonesian formal ideology, allowing non-Muslim groups to thrive. The service that was given by Catholic group concluded Hospitals, Schools and several Universities. The Catholic Schools which were most popular were mostly managed by religious congregations, that had elite school in major cities, but diocesan-based schools were generally located in both cities and rural areas.

Ironically, despite significant contributions of educational services provided by the civil society, governments in the East Asian and Southeast Asian countries, share some commonalities in terms of unjust policies enacted towards private schools. The existence of private, religion-based schools is seen to have played a unique role in the preparation of young generation. Such a unique contribution represents a demand side theory. In his sociological studies on the schools in these areas, Cummings (2008) finds some shared commonalities: the governments are more likely to provide vast rooms for privately-run activities or services as far as they are not disruptive to national stability. On the one hand, this attitude serves some room or freedom for non-state groups to actively contribute in the provision of services. On the other hand, this loose attitude on the part of the governments also gives some legitimacy for the ruling governments to provide minimum support for the initiatives carried out by some groups. Both freedom to contribute and a lack of support from the government take place in both Catholic and Muhammadiyah schools, that were initially set up to meet the needs of common people.

In this study, we adopted the social construction of reality as the capability approach framework to clarify the existence of private school managed by civic organi-
zation. The capability approach looks at a relationship between the resources people have and what they can do with them. As Sen puts it, in a good theory of well-being, “account would have to be taken not only of the primary goods the persons respectively hold, but also of the relevant personal characteristics that govern the conversion of primary goods into the person’s ability to promote her ends” (Sen 1999, p. 74). We use capability approach in order to investigate the participation of private schools in primary education.

Fig. 1. Research Model: Civil Society Behavior in Managing Private School

The three fields that intersect with this terrain of freedom relate to three different understandings of education. First, education has an instrumental value. In this field education (very often understood as schooling) helps secure work at a certain level and political and social participation in certain forms. Without some formal level of skill acquisition, schooling for a number of years or other form of initiation into a group (for example, through learning a sacred language or particular religious practices), one cannot achieve vital aspects of agency and well-being, that is, live a life one has reason to value (Unterhalter and Brighouse, 2007). The intrinsic value of education refers to the benefits a person gets from education that are not merely instrumental for some other benefit the person may be able to use it to get (Unterhalter and Brighouse, 2007). The third of education is positional insofar as its benefits for the educated person depend on how successful she has been relative to others (Unterhalter and Brighouse, 2007).

At the heart of the three overlapping fields is the concern in the capability approach with well-being and agency freedoms (Sen 1985). These freedoms relate to
the social conditions to secure instrumental, intrinsic, and positional values through education. The field of well-being freedom in education is concerned, for example, with freedom from harassment in a classroom, freedom to concentrate in a classroom (not too tired, too hungry, too anxious), freedom to access a lesson through appropriate pedagogies, and good quality of management (Unterhalter 2005). Indeed, private schools have capability to adjust with different and dynamic environment. Amartya Sen, a Noble Laureate, proposed the capability approach to look at how the private institution use their resources.

Epistomologically, we set out to engage in our scientific inquiry by drawing multiple perspectives in order to gain a holistic view of the matter under investigation (Cooper & White, 2012). Accordingly, both findings and discussion are drawn both from the survey data and qualitative inquiry, and are represented through genealogically rich descriptions of the realities (Kamberelis & Dimitriadis, 2005). The conceptual framework being employed is Amartya Sen’s (1993) capability approach. This framework is useful to capture both the learning processes and social values of education. It also sets out the plan to evaluate educational advantages and equally to indentify disanvantaged, marginalization and exclusion (Unterhalter, 2010).

### Table 2. School’s Population

<table>
<thead>
<tr>
<th>SCHOOL LEVELS</th>
<th>CATEGORIES</th>
<th>YOGYAKARTA</th>
<th>CENTRAL JAVA</th>
<th>SUM</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Muhammadiyah</td>
<td>282</td>
<td>183</td>
<td>465</td>
</tr>
<tr>
<td>Elementary schools</td>
<td>Catholic</td>
<td>65</td>
<td>95</td>
<td>160</td>
</tr>
<tr>
<td></td>
<td></td>
<td>360</td>
<td>79%</td>
<td></td>
</tr>
<tr>
<td>Junior high schools</td>
<td>Muhammadiyah</td>
<td>81</td>
<td>279</td>
<td>360</td>
</tr>
<tr>
<td></td>
<td>Catholic</td>
<td>26</td>
<td>70</td>
<td>96</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1081</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**RESEARCH METHOD**

The study relied on qualitative method. The qualitative methods generally described as methods to expand the scope or breadth of research to offset the weaknesses of either approach alone (Driscoll, et. al., 2007). The population of the research were selected proportionally from 1.081 schools in two provinces in Java, i.e. Yogyakarta Special Province and Central Java. By using Slovin’s formula, the study was set to obtain the data from 92 schools The data used in this research were drawn from both primary and secondary sources. The primary data were obtained through surveys and interviews. When considerable constraints to obtain data from
the primary sources occurred, the secondary data sources were tapped into. The secondary data consisted of all evidence in the forms of documents and records.

From Table 2, it is apparent that the number of Muhammadiyah elementary schools (74 per cent) exceed those of Catholics (26 per cent) by 49 per cent. The distribution of Muhammadiyah junior high was not different from this range, i.e. 79 per cent, and Catholics 21 per cent. To maintain the representativeness, the samples drawn from Muhammadiyah group were 55 schools, and Catholic group were 37 schools. At first, it was planned to gather quantitative data through postal-service survey to all 92 schools. To enrich the data collected, in-depth interviews were set to be conducted with nine schools. However, such a plan was not feasible, forcing the researchers to visit all sample schools to obtain the data using guided interviews using interview protocol.

Each individual school underwent a 90-minute interview. Most interviews were done to school principals, deputy principal and teachers. Most interviews were digitally recorded, and the results were transcribed. When recording the interviews was not feasible, notetaking was done to record the results. Quantitative data obtained from school were related to financial issues, such as shown in annual budgetary reports. Qualitative data were verbal reports on schools’ perceptions on a variety of mandated laws, perceived injustices over the influences of bureaucracies and vested-interest groups, school leadership styles, and perceived contributions of the private schools by related stakeholders.

RESEARCH FINDINGS
Relevancy of private schools

The degree of relevancy of private schools in today’s society becomes one of the debatable issues. As the literature review suggests, some scholars argue that the private schools are to play some pivotal roles and their presence remains significant (e.g. Lockheed & Jimenez, 1994; Bangay, 2005; Cummings, 2008). On the other hand, however, private schools – mostly in rural areas – encounter great challenges. Some of them had to be closed down, were forced to merge with other neighboring schools, and quit operating. The verbal reports gained from research participants of this study suggest a growing popular belief that sees a bleak future for private schools.

Given the dynamic nature of today’s society, it is certainly hard to assess the future of private schools. Empirical data gained in this study, however, shed light on what parents think of with regards to private schools. The data yield some degree of relevancy of the school to the societal needs.

Data presented by the table became interested to be seen. By comparing the data
with the reason to take education in the school for Chatolic Elementary School students in a row among others were: the quality (55%), related-religious reason (50%), and the smallest percentage reason was cost (5%). While in Muhammadiyah Elementary School, the largest percentage of reason for taking education in school was cost (30%), and 20% for each reason of religious and distance. The parents from these two groups of religion shared commonalities in terms of religious reasons and quality. It seemed that they would be the main equality. There were two important differences, those were, the consideration of distance and financial. The first all out difference from the data was that the Chatolic Elementary School Students tended to take longer distance for the quality reason. While for Muhammadiyah Students tended to choice locality-bound. The distance reason placed the highest position for Muhammadiyah group. The second one was the consideration for the number of financial. If we did recheck for the total number of operational fund in Chatolic School, the headcounts was higher several percent than that in Muhammadiyah School. It meant that there was a socio-economic state background from them who choose to take education in Chatolic Schools.

<table>
<thead>
<tr>
<th></th>
<th>Elementary CATHOLIC</th>
<th>Elementary MUHAMMADIYAH</th>
</tr>
</thead>
<tbody>
<tr>
<td>School fee</td>
<td>1,39%</td>
<td>1,39%</td>
</tr>
<tr>
<td>Distance</td>
<td>20,00%</td>
<td>20,00%</td>
</tr>
<tr>
<td>Religion</td>
<td>41,67%</td>
<td>45,83%</td>
</tr>
<tr>
<td>Quality</td>
<td>30,00%</td>
<td>13,33%</td>
</tr>
<tr>
<td>Facility</td>
<td>13,33%</td>
<td>13,33%</td>
</tr>
<tr>
<td>Others</td>
<td>1,39%</td>
<td>33%</td>
</tr>
</tbody>
</table>

Fig 2. Reasons why parents chose Muhammadiyah and Catholic ES

In Junior high School level, the largest percentage of reason for choosing Chatolic Schools was placed by the reason of religious (53.85%) and Quality (38.46%), while in Muhammadiyah, the largest percentage reason of choosing school were still placed by cost and religion, 30% for each of them, and the remain, 10% respondents gave their choice for the quality. From the comparison table, we could see that it seemed that there was a consistent reason for parents to choose Chatolic School for not
making cost consideration as the main reason. While for parents and students who choose Muhammadiyah School the cost always became the most important reason for them to take consideration, then religious for the second, and the last was quality. The comparison reason gave us description about the financial ability of students who chose either both Chatolic or Muhammadiyah Schools.

![Fig 3. Reasons why parents chose Muhammadiyah and Catholic YHS](image)

It could be concluded that the reason of quality and religious were considered as two important factors. What kind of quality that was relevant for the recently society need? The relevancy that was viewed rationally or the reason why the stakeholders tended to take their children to the schools was more the initial symphtom. In one side, the data that was obtained from the research strengthened that the relevancy of the schools towards the society need was clearly related to the quality of teaching (content) and religious education—— that was closely related to live attitude such as discipline, the commitment of the teachers, or for more accurately it referred to the character education.

The affairs that were more foundamental were the fact that these such private schools with the limited fund worked hard to maintain the relevancy to the way of scholarship provision for the students. From 92 schools that were observed, 60% of the schools gave scholarship to the poor students, or the students that were in the low stratification with the criterion that had been determined by students themselves. The mechanism of the scholarship giving could be based on the combination between the nature of merit-based and needs-based. It maked sense that there were several students that were potential (still from the poor students) were given several stimulus such as some certain scholarship in order to be capable of having education in schools.
To see those such tendencies, it could be told that private schools, either both Muhammadiyah or Chatolic Schools, paid attention to the low stratification to have the sustainability of their education. These seemed to be the spirit of the private schools (Muhammadiyah and Chatolic) in implementing of the education, though some number of Muhammadiyah and Chatolic schools were decreasing but they kept paying attention to the poor society to be able to take their children to the private schools. It aws also sinergic to the spirit of “serving” that were conducted by socio-religious organization such as Muhammadiyah and Chatolic in serving the poor society.

**Regulatory injustices encountered by private schools**

It is an irony that private schools undergo systematic discriminations upon the implementation of a policy framework intended to address injustices. The Government Regulation No. 47, 2008, sanctions a nine-year compulsory education. It requires the government to provide free-fee basic education. Such a policy framework has led to the distribution of financial resources called *dana BOS* (Bantuan Operasional Sekolah/School Operational Aid Funds - SOAFs) since 2005. The distribution of funds to both private and public schools has brought more challenges to private schools, for reasons to be delineated further.

The current Indonesian policy framework draws much from other international policy frameworks, such as *Education for All* movements in the 1990s. As stated in the Law No. 20, 2003 on the National Educational System, all citizens between 7 and 15 years of age must attend compulsory elementary education. As stated in verse 32(2), both central and local governments warrant the provision of free-fee compulsory elementary education. On verse 32(3), it is stated that the compulsory education is the responsibility of the government, and is run by state-owned educational institutions, local governments, and society. It is therefore imperative for both central and local governments to provide free elementary education. In line with the law, the central government has issued the Government Regulation No. 47, 2008, which specifically delineates compulsory education (*Wajib Belajar*, or *WAJAR*).

Tuition-free basic education as required by such policy framework can be considered as a proof of the state’s efforts to fulfill the independence vow. Prior to 2005, all students attending either public or private schools were charged to pay some tuition fees. It was the success of the Yudhoyono and Kalla’s administration to change this policy, and this policy dubbed as social entrepreneurship has been largely hailed as a great leap towards the provision of compulsory education. As noted by Toshi and Josser (2013) the amount received by each student is 143 dollar a year. Based on
the implemented model, this policy framework can be said to refer to Rawlsian distributive justice, so it has some theoretical and law legitimacy. Further, based on their field findings, Zuhri and Abidin (2009) assert that the policy tends to bring more benefits to state-owned schools only. It is also discovered that the policy is not well communicated to the public and prone to infringements.

**Insufficiency of public funds distributed by the government**

The empirical data gathered from this study explains the amount of money collected by the private schools for each student. This study also reveals the gaps between the actual funds obtained from the government and the real expenditure by each school to fund the education for each student. Another information to raise in this report is particular strategies used by the private schools to meet the gaps of infrastructure construction.

The data shows that the distribution of School Operational Aid Fund (SOAF) for private schools is intended to finance school operations, such as school activities, honorariums for instructors, learning aids, electricity, water, telecommunication bills, infrastructure maintenance, transportation, taxes, and food for students. However, SOAF is not used to pay private school teachers’ salaries. According to the regulation issued by the Department of Education, the amount of SOAF is determined by the number of students in each school. The SOAF is initially intended to alleviate the burdens of the society in sending their children to enjoy a nine-year compulsory education program. In addition, the fund is also expected to meet the minimum standards of service by the school. As shown in the following table, the amount of money obtained for each elementary school student is Rp. 580,000.-/year and for junior high student Rp. 710,000.-/year.

<table>
<thead>
<tr>
<th>SCHOOL LEVELS</th>
<th>SCHOOL EXPENDITURES ON AVERAGE</th>
<th>SCHOOL OPERATIONAL FUND</th>
<th>DEFICITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Muhammadiyah</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ES</td>
<td>Rp1,524,184</td>
<td>Rp580,000</td>
<td>Rp944,184</td>
</tr>
<tr>
<td>JHS</td>
<td>Rp2,316,437</td>
<td>Rp710,000</td>
<td>Rp1,736,437</td>
</tr>
<tr>
<td>Catholic</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ES</td>
<td>Rp1,935,058</td>
<td>Rp580,000</td>
<td>Rp1,225,058</td>
</tr>
<tr>
<td>JHS</td>
<td>Rp2,579,497</td>
<td>Rp710,000</td>
<td>Rp1,869,497</td>
</tr>
</tbody>
</table>

*Source: Primary data*

The empirical data show that the financial contribution of the government to the private, religion-based schools is far from being sufficient. First, the amount of fund supplied by the government to these schools on average contributed up to 47 per
cent of all expenditure. From the data, it was also obvious that Catholic schools spent more money to run the schools. For Muhammadiyah schools, the funds obtained from the government contributed 51 per cent of the whole expenditure, while for the Catholic 42.5 per cent. The biggest gap took place among Catholic junior high where the total gap reached Rp. 1,869,479.-.

The study also reveals the fact that religion-based schools encounter huge problems with regards the construction of the school infrastructure and facilities. The data shows that the construction takes a great amount of funds. In contrast with state-owned schools which solely rely on annual state budgets and local government’s budgets to build the facilities, these religion-based schools are forced to find their own funding sources. In general, to build the school infrastructure and facilities, these schools obtained as much as 21 per cent from the government. The rest was obtained from other sources, such as networking (20%), parents (16%), and aids from external parties (18%). Given the huge disparities among schools, in terms of school leadership skills, networking, alumni relations, and other socio-economic considerations, only few schools were able to thrive under such a tough and dire atmosphere.

In conclusion, each private school stands in the face of a losing war, where their public school counterparts enjoy much privilege over resources that lead to attract brighter students, entice more parents with free-fee education services, and better school facilities or infrastructure. While some government officials in local education offices remain to show appreciation towards the contribution of private schools, the top leaders of the country, such as the Minister of Education, Muhammad Nuh, very frequently send some daunting remarks with regards to the existence of civil society’s participation through education.

As discussed previously, the existence of religion-based schools in Indonesia emerged as commitments of civil society to contribute to the capacity building of the young generation. In other words, such schools have maintained a high sense of agency, upon which self-determination, authentic self-direction, autonomy, self-reliance, empowerment, and voice are its major characteristics (Alkire & Denuaun, 2010). In the face of today’s politics, however, three major problems appear to serve as insurmountable hurdles for most schools.

The government has recently issued some policies that are highly insensitive to the historical and empirical existence of the private schools. First, state authorities frequently negative outlooks, which are highly insensitive to the historical contributions made by the private schools (Mujiran, 2014, in press). Muhammad Nuh, the Minister of Education, stroke a heavy blow on the parts of the private schools.
According to him, private schools receiving School Operational Funds (SOF) from the government are unlawful if they remain to collect money from students to run the school. As definitively found in the research, the amount of SOF is in fact just a fraction of the total amount of money spent for the whole year. Second, the government tends to issue ideals-based standards (drawn from well-funded state schools), to assess school performance such as in accreditation schemes and other supervisory tools. Such mechanisms are found in any level of education, from kindergartens to higher education institutions.

**Local authorities blinding themselves with illegal practices**

Unfortunately, acknowledgement and approach by the government officials have been too formalistic, neglecting the unique characteristics that made up such schools. One of the regulation that gave some difficulties to the existence of the private schools was the regulation of abroad studying group. The private schools including Muhammadiyah and Chatolic Schools relied most on the number of the students in order to keep their existence. From the preview with school headmasters acknowledged that the State schools were the main competitor in getting students. In the practice, State Schools embodied the number of studying group (with 35 students/studying group), so that reduced the number of the students that came into private schools. There were two reasons that caused the number of the students/studying group for being increased into State Schools, those were, the increase of the class infrstructures through Local Budget and Expenditure and the completing of studying hours for the Certified State Schools Teachers (teaching 24 hours). Therefore, the unfair competition caused many schools only received the remain students from The State Schools. The remain students generally were coming from poor family or the academic capabilities were in the low level. In Klaten Regency, the competition to get the students in Junior High School level became tide. Jogonalan Muhammadiyah Junior High School must face two State Junior High Schools, those were, Jogonalan State Junior High School 1 and 2. Those two State Junior High Schools embodied studying group. The rule game: the studying group 32-36, and even in the fact, they got 40, and it allowed by the Local Education Official.

The religion-based schools have been heavily bombarded with unfriendly policies, making these schools less and less attractive. A case in point, the ignorance of Klaten Regency’s Department of Education towards some unlawful practices done by state-owned schools, is very likely to end the existence of such private schools. By law, it is not allowed to add more classes in public schools. Some public schools, however, violate such regulation by setting up new classes in order to get more SOF
and to allow their teachers to get certification allowances. The following excerpt highlights the injustices done by the public schools that are endorsed by the local education department.

It is very difficult to compete with public schools, because they keep adding more classes. They reason that teachers need more classes to meet the basic requirement of 24 hrs/week to get certification allowance.

Accordingly, the neighboring private schools will only get one class (with most 35 students/class), while public schools open up more classrooms easily. The infrastructure construction in these public schools is fully supported by the local government, so things become very smooth and comfortable for public schools.

Capabilities: living a legacy of self-agency

Capabilities could be seen widely. From the side of running legacy and also in negotiating with the real need, such as adopting several managerial framework that were recently developing, that was the nature of transparency and accountability. In contrast with general views on systemic perspectives of curriculum, this study draws much discussion on a socio-cultural perspectives (Budiraharjo, 2014). In the contemporary discourse of curriculum, a linear, systemic view of curriculum has largely made schools and teachers left impoverished. Considered from such an instrumentalist rationality, most people are forced to talk about curriculum in response to the formal policies issued by the government. The all-encompassing discussions are very likely to refer to the power of polity, and therefore all seem to get trapped within a socio-regulative sphere. A socio-cultural perspective allows us to comprehend the enacted and lived curriculum from a starkly different angle.

Raising the curriculum within the area of lived experience promises a far greater depth of investigation. First, the existing practices in schools are a representation of culture or habits of mind shared by the school community. The empirical data obtained from this current study underscores such patterns. The implementation of the 2006 School-Based Curriculum (Kurikulum Tingkat Satuan Pendidikan) has not necessarily brought significant changes in teaching practices. The curriculum has shown to have influenced more on the open governmentality by the schools. The inclusion of school committee members in the school governance allows better community participation in school management. The findings of the study corroborate Bjork’s (2013) empirical findings with regards to the power of traditional teaching practices among Indonesian teachers. New jargons about constructivism, collaborative learning, and student-centered learning are generally adopted as fads, but not necessarily change the way teaching activities are conducted. Bjork (2013) notes that pedagogi-
cal methods being used by ordinary Indonesian teachers generally consist of 53 per cent of all lessons being used for lecturing, 20 per cent for working on worksheets or hands-on activities, and the last 5 per cent for a class discussion. Second, raising the issues of curricula as lived experiences by each school will offer a more colorful portrayal of reality. Each private school has particular ways of doing things. Many good practices that we can draw from how school community manages their lives in the school. It is therefore imperative to bring forward some discussions on the curriculum as lived experiences that are demonstrated by the schools.

The empirical data obtained through the study demonstrate that many religion-based schools being investigated seek to draw more from moral teachings of their religious values. The Jogonalan Muhammadiyah Junior High School (Central Java) opts to equip their students with more practical and meaningful skills relevant to the societal needs. While neighboring state-owned schools have more privilege to get more intelligent students, this school does not have any choice. The number of students is small, and their academic skills are of lower quality. Instead of blaming external constraints, the school decides to engage students with social activities conducted in the school neighborhood. The students are trained to have some public speech skills – in the form of a 7-minute lecture done in the mosque (dubbed as *kultum, or kuliah tujuh menit*).

Efforts to maintain high relevance to the societal needs are also found in other schools. The Pangudi Luhur Bayat Junior High School – owned by FIC Brothers – attempts to offer sewing skills for its students. The best private school in the area, this school is known for its generosity in terms of scholarship provisions for the needy students. Upon seeing the direct needs of some students who are not able to afford higher education after the completion of their junior high, the school principal and his team sought to obtain a number of sewing machines. The machines are used to train sewing skills for these students. The school is certainly responsive to the societal needs. It is known that Bayat District houses clothing-based industries.

Some other schools are very strong at pursuing particular values. Both Elementary and Junior High Schools of John Don Bosco (Yogyakarta) set out to enact inclusive education. Some students with particular disabilities and special needs are placed in the same rooms with those ordinary students. Both students and parents of the students learn to appreciate other people, no matter what and who they are. In addition, instead of following highly prescribed religion class materials – where learning assessments tend to measure knowledge, the schools assign students to demonstrate the proofs of being involved in both social and religious activities beyond the school. Local ulemas, priests, and other religious officers are invited to
“assign” formal grades for the religion classes. Another case representing the power of ideals is obtained from Kanisius Kadiojo Elementary School. The 67-year old principal is a retired school teacher. This lady looks so frail and her being so humble seems to undermine her achievements. She had won three Adiwiyata Awards from the President of Indonesia. She demonstrates an unrelenting passion to ecology-friendly creation. Her records, and her ways of leading the school community have earned her a prominence among the school community and the local education boards.

Another issue worth discussing is the curricula chosen by particular schools to educate people at large. Kanisius Elementary School Wirobrajan, a case in point, sets to educate both students and their parents to participate in developing school infrastructures. The breakthrough chosen by the school is the issuance of Koin 100 policy. Literally speaking, the Koin 100 is in the form of a box to deposit some money for students. This is a fundraising strategy, which sets to teach children to set aside a small fraction of their pocket money to contribute to the construction of some school infrastructure. The term Koin 100 means the amount of Rp. 100,- (equal to 1 cent of US Dollar). To maintain its accountability, the principal sends a summary of financial report by the end of each semester. Another mechanism to teach the public at large is to involve parishioners to help fund teachers’ salary. Drawing from funds raised through Ganjuran Pilgrimage destination for the Catholics, Ganjuran Parish allocates Rp. 500,000.- for some teachers in the neighboring Catholic schools.

The second affair that was also conducted by several schools in collaborating their relevancy was through the nature of modern managerial system based on accountability and transparency. How does accountability and transparency as characteristics of a modern managerial system are implemented? Public accountability refers to the implementation of the system which is open, transparent, and scalable. Availability of funds from the government to build the infrastructure and facilities in private schools is very rare and certainly not sufficient. Private schools are required to find ways to get necessary resources to develop their own school facilities and infrastructure, such as buildings, desks, chairs, and information technology systems. Empirical data gathered from the study demonstrate that it is the leadership of the schools that keeps the schools to run well. The school principals and his team are expected to formulate skillful communication strategies with funding parties to run the schools. Based on an interview (March 14, 2014) with the school principal, the Muhammadiyah Sapen Elementary School relies on a good relationship with the donors, school committees, and parents. One of the methods in order to remain close to the donors, parents and school committee members is to maintain rela-
tional trust and friendship through monthly meetings, and other social activities, such as home visits. The school maintains a public accountability by sending financial reports of how the school is run to parents as well.

The same method is also implemented in other schools as well. Maintaining capability through public accountability and good relationship with school committee members, parents, and alumni is seen to bring a positive identity of the schools. In turn, when the trust is obtained, funding donors are more likely to take part. Pangudi Luhur Junior High School of Bayat, Klaten, Central Java, raises funds from its alumni across the nation. The best religion-based school in Bayat District, the school airs its accountability both in academic, social, and economic terms. Many of its alumni are successful professionals in the capital city. The alumni association has largely functional in obtaining large amount of funds to build school facilities, infrastructure, and scholarships for the needy students. Many of its alumni recalled to have come from the same poor socio-economic backgrounds, and such a compassion leads them to give away their fortunes to the next generation of the students attending this school. It is worth noting as well that the school principal has been influential in drawing attention of the alumni of the school.

It can be concluded that the principals are required to be able to manage money in a way that is open, transparent, and scalable through a variety of ways. The donors of private schools are thus encouraged to invest their money as social fund for education as far as the schools are able to demonstrate the evidence upon which the money is effectively and efficiently used to fund educational activities. The existence of clear evidence that the money collected is appropriately spent, such as for the construction of a particular facility and well-distributed scholarship, maintains the public accountability.

The field data indicates that private schools remain to be trusted by the public (community) who send their children to such religion-based schools largely due to the high degree of accountability shown by these schools. Muhammadiyah Elementary schools such as in Sapen, Noyokerten and Nitikan serve as good examples. They always report to the parents and the school committee members for the school year of income and expenditure of each activity. The strong air of accountability is perceived by the community because the financial reports are made public, allowing both parents and school committee members to get a grasp on how the school is run. Based on interviews with two school principals of Muhammadiyah schools, even all of school-related activities are reported to the Board of Elementary and Secondary Education Finance of each local branch (March 14, 2014). A different case takes place among Catholic schools. The accountability is maintained through
the foundation that takes care of the congregations of the schools under their administration. The control and monitoring systems are aligned to the respective foundations.

**DISCUSSION**

Taking into account the data presented above, it can be said that the majority of the reasons why parents send their children to private schools are three-fold. First, the cost to send children to Muhammadiyah schools is affordable. The similar case also takes place among Catholic schools, especially those located in rural areas. Second, parents want their children to obtain specific religious teachings. It is the beliefs of parents that their children will receive a foundation of Islamic faith upon their completion of the study in the school. Ideologically speaking, most parents believe that religious beliefs gained through the schooling in Muhammadiyah schools will equip their children with better attitude. Ideological reasons are also found among Catholic schools. Many parents want their children to acquire particular values, such as obtaining disciplined mind and behaviors, and developing a tolerant attitude to live in the multiculturalist society. Third, the religion-based schools are widely known to have better qualities in training academic skills for the students, even in some parts of the country, parents believe that Muhammadiyah schools are better than any other schools as pointed out in a unique case that parents in the town of Ende send their children to Muhammadiyah school (Mu’thi and Rohman, 2012). This is an interesting case to take into account. Given the fact that the majority of the community in the town is Catholic (67%), however, the existing Christian and Catholic schools are considered of lower quality. It is worth noting that Mu’thi’s (2010) findings are unlikely to be generalizable across other settings since the empirical data obtained through this study demonstrates that some well-established Catholic schools remain to be highly competitive.

The role of Muhammadiyah and Catholic foundations in Indonesia’s education services has confirmed the previously research findings by World Bank in su-Saharan Africa that 50% of health and education were provided by faith-based organization (Clarke et al, 2007). Although the government policy seems to be unfair for faith-based education service, but however, Muhammadiyah and Catholic foundations as an agency has intrinsic value to improve their services. The values that guide the education services reasoning—religion is recognized as a basic influence on people’s action and also moral claim of the religion itself (Deneulin, S, 2009). This is challenging, government could put a position of the faith based-organization (FBO) as partner or co-production method (Bielefeld and Cleveland, 2013). To that end, faith
leaders and members of faith communities can serve as liaisons to their congregations in order to better identify both the specific needs of their congregations and the best ways to improve community buy-in for FBO interventions (Terry, et al, 2015). The comparative analysis shows that neither the extent of change in the position of faith-based organizations in social welfare, nor the main mechanisms triggering change, is the same for the different welfare states (Göçmen, I., 2013).

**CONCLUSION AND IMPLICATIONS**

This research reveals a set of major characteristics generally found among religion-based schools in Indonesia. First, the schools came into existence in response to the societal needs mostly during the modern era of Indonesian struggles to gain independence. The schools were a representation of civil society’s contribution to the nation building. Historically speaking, before frequent interventions by the polity became stronger, the schools thrived well and positively contributed to the preparation of significant workforce of Indonesians. Second, the religion-based schools remain to be significantly meaningful in terms of their hidden curricula. Their spiritual and ethical traditions remain to be guidelines for the school community members, allowing them to keep the spirit of service and moral purpose at hand. Religion-based schools offer humanistic approaches to teaching and learning, making them closer to the ideas of inducing better character building in comparison to their public school counterparts. Third, this study also yields systematic injustice done by the top leaders and the local officials of the department of education. In some instances public officials send some daunting remarks that lead to some labeling against religion-based schools collecting funds from parents. Parents’ contributions to educational fees to support their children’s schooling are seen as a criminal act. The minister of education seems to be highly insensitive to the reality that the amount of SOF is far from being sufficient to run the private schools.

The theoretical implication of this research confirms that capability theory is explanatory theory to assess community public school in Indonesia. How do they exist and sustain in changing of regulatory environment? Thoses institutions act as an agency to do freely: freedom to participate for public good, freedom from over control of state, freedom to concentrate in improving human dignity, and freedom to access a lesson through appropriate pedagogies, and good quality of management. They create self-regulation in doing public good: self-planning, self-implementation, self-control and self-evaluation. This study shows that the capability approach as a theoretical framework allows researchers to identify the capabilities of private schools in the face of dire challenges, which make them able to survive and
even thrive. Practical implications of the study are twofold. First, to ensure their relevancy, existing socio-cultural and ideological inheritances must be geared to respond to dynamic requirement of contemporary challenges. Second, it is imperative for the Department of Education to develop a better understanding about the roles played by private schools, and increase the amount of fund to support free-tuition schooling. New formulae to determine the amount of SOF must be based on empirical findings of the actual expenses by each student. However, the data gathered in the study also yield some inevitable contestations in ideologies, values, and strategies among related parties, which are not sufficiently described using the capability approach. Accordingly, theoretical implication of the study suggest that values contestations to portray relationality of related parties are more likely to provide an in-depth understanding of the field.

ENDNOTES
1 Interview with principal of Muhammadiyah Junior High Kalasan, November 25, 2013.

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