



## The Impact Commercialization of Education in Bagan Asahan Village Tanjung Balai

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### ABSTRACT

Education has a significant influence on the nation's life in response to the impacts brought about by the current wave of globalization. Presently, education has become entangled in the currents of capitalization or commercialization, which consequently affect the managerial systems developed and implemented by the educational institutions themselves. This research aims to (i) Identify the forms of educational commercialization, and (ii) Understand the impact of educational commercialization on school dropouts in the Bagan Asahan Village, Tanjungbalai Sub-district, Asahan Regency. This study employs a qualitative, descriptive research design. The selection of informants is done through purposive sampling. Primary and secondary data sources are utilized. Data is collected through observation, interviews, and documentation. The data analysis technique employed is qualitative-descriptive. The results of this research indicate that, 1) The forms of educational commercialization include (a) expensive educational costs, (b) various institutional fees, and (c) trade within the education sector. 2) The positive impacts of educational commercialization for the community are (a) reduced government burden in financing education, (b) increased competitiveness of educational institutions leading to improved facilities and educational quality, (c) increased profits and income for educational institutions. However, the negative impacts are (a) higher education costs, (b) education becoming a business field, (c) emergence of stigmatization and discrimination between the wealthy and the poor, (d) persistent poverty cycles difficult to break through education, (e) privatization of education, and (f) a shift in the mission of education from an academic culture to an economic culture.

*Socio-Cultural Research, Commercialization of Education, Expensive Education.*

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## INTRODUCTION

Education serves not only as a shaper of character and personality but also as a preparation for producing skilled and accountable human resources. It significantly influences a nation's life in coping with the impacts brought about

by the forces of globalization. The effects of this globalization have affected various aspects of Indonesian society, including social, political, economic, cultural, and educational domains. Currently, education has become entangled in the currents of capitalization, which is commonly referred to as educational commercialization (Adam, 2021).

(Saputra, 2023)The high cost of education results in limited access to quality education for many children from lower economic backgrounds. Schools implement rules as if they were marketplaces, leading to a flawed educational vision. Success in education is solely based on the number of school graduates absorbed by the industrial sector. Such an education system does not prioritize making individuals socially aware, whereas the true purpose of education is to develop the intellectual capabilities of students.

(Musayyidi, 2020)The education system in Indonesia is deemed to have not yet achieved the expected level of success. The challenges faced by the Indonesian education system are numerous and complex, making it difficult to find easy solutions. One significant issue concerns the management of Madrasah-Based Management (MBM) and School-Based Management (MBS), which includes financial management. The cost of education has increased significantly, with educational expenses rising for every level of education. Even at the elementary school level, the costs borne by parents are nearly as high, if not higher, than those for higher education institutions.

Additionally, various school fees are imposed, further burdening students and making education more costly each year. Education in Indonesia remains an expensive investment, necessitating early financial planning and preparation for educational expenses. The community in Tanjungbalai Sub-district, especially in Bagan Asahan Village, shows a high concern for education, as evident in the large number of school-age children attending educational institutions within the village. To ensure that education continues uninterrupted and students do not drop out, financial planning is essential, and effective communication with schools and madrasahs is crucial. This can be achieved by implementing School-Based Management (MBS) and Madrasah-Based Management (MBM) systems in accordance with the guidelines established by the government.

## RESEARCH METHODS

The research conducted is qualitative and descriptive in nature, aiming to investigate a social phenomenon within the Tanjungbalai Sub-district, Asahan Regency. The study involves school dropouts and educators as the informants. The selection of informants is done using purposive sampling technique. The

data sources include primary and secondary data. Data is collected through observation, interviews, and documentation. The data analysis technique used is qualitative and descriptive. The analysis process involves organizing and reducing the collected data, displaying data gathered from various sources, and then providing verification to draw conclusions (Creswell & Creswell, 2018; Syahrums, 2015).

## RESULT AND DISCUSSION

Based on the findings from the field research, it is evident that there is still commercialization occurring within educational institutions in the Tanjung Balai Sub-district. Unregulated charges are imposed under the pretext of administrative fees for completing studies and celebrating special occasions, or supposedly to improve educational facilities. For instance, students are required to pay for their graduation certificates' signatures and express gratitude with monetary contributions. They are also obligated to purchase Student Worksheets (LKS), school symbols, sports uniforms, and other school-related items. From these facts, it can be concluded that educational institutions prioritize profit over other considerations.

Education is a fundamental need for all individuals and an integral part of a nation. Taking responsibility for oneself implies striving for the best conditions, capabilities, and problem-solving abilities. Individuals with higher education levels often gain recognition and a special position in society. Education is a primary need in human life, and the planning and implementation of the learning process cannot be separated from financial factors. The provision of necessary facilities and learning materials requires significant funding. Schools need financial resources to provide the required infrastructure and operational necessities. Education is linked to various interests and desires of society, and it plays a crucial role in the progress and advancement of a nation.

Currently, Indonesian educational institutions seem to be competing to increase educational costs, citing the necessity to meet rising expenses. However, the increase in costs is not always accompanied by a corresponding improvement in the quality of education. The impact of globalization has influenced education in Indonesia, moving it towards a market-oriented orientation.

In accordance with capitalist ideology, as proposed by Marx, capitalism creates a class-structured society where people are organized for the production of necessities. This dominant system tends to control the means of production to perpetuate commercial oppression. It is evident that educational institutions

or schools become the ruling class (capitalist class) seeking to exploit labor for their own interests, especially for families with limited financial means.

Overall, the research highlights the presence of commercialization in educational institutions, which raises concerns about the prioritization of profit over the quality of education and its accessibility to all members of society.

Despite the government's program of providing School Operational Assistance (BOS) to alleviate the burden on students, particularly at the elementary and secondary education levels, in reality, it has not been very effective in reducing the financial burden on students. In the changing society, this has given rise to social classes, with the upper class holding power to control and oppress the lower class. Besides high Tuition Fees, there are still many other informal charges such as textbooks and extracurricular activities. Thus, despite the government's efforts, the cost of education remains high, indicating that many families still struggle to afford education due to their relatively low economic status.

Educational commercialization is seen as a mission of modern educational institutions serving the interests of the capital owners, rather than as a means of liberation for the oppressed. As a result, the humanization of education is not achieved, as commercialized education is only accessible to certain individuals who can afford it. Although these institutions cannot be directly labeled as commercializing education since they do not trade education, the high school fees they charge make it feel like a commercial transaction.

The trend of expensive education has become prevalent in the education sector, where education is likened to a marketplace or supermarket providing goods to customers, with educators (teachers or lecturers) serving as cashiers catering to students themselves. The high cost of education significantly affects the quality of educational institutions in Indonesia, especially in the current era of globalization where everything is often evaluated based on materialistic aspects. As a result, even public schools, considered popular choices, are not significantly different from private schools in terms of the cost of education. Educational institutions compete competitively in terms of quality and facilities to attract more students, leading to higher costs.

The influence of capitalism on formal educational institutions has led to the prioritization of the interests of investors rather than the transformation and conservation of cultural values. The development of education in Indonesia cannot be separated from the influence of globalization, particularly in terms of expensive education. Additionally, the era of free markets poses a new challenge to Indonesian education, as it opens opportunities for foreign educational institutions and educators to enter the country.

Three impacts of capitalism on education are: 1) The relationship between capitalism and urban education has led to practices in schools that favor economic control by the elite classes. 2) The relationship between capitalism and science has driven the development of science with a focus on material profit rather than creating a better global life. 3) The marriage between capitalism and education, and capitalism and science, has created a foundation for an educational system that emphasizes corporate values at the expense of social justice and human dignity.

The issue of high educational costs due to educational commercialization is not a new problem, and it has been a recurring issue each year, especially before the start of a new academic year. However, the problem of high educational costs is not a trivial matter, as it affects equity and the right of all members of society to access quality education. Consequently, individuals with below-average income cannot pursue higher education. This situation hinders the efforts to break the poverty cycle through education.

The lack of opportunities for individuals to pursue higher education indirectly proves that education has lost its empowering function in breaking the chains of poverty. The poverty cycle can be described as a chain where poverty prevents people from going to school, lack of education leads to poor job opportunities, and this perpetuates poverty further. Education, as an empowerment tool, loses its function in breaking the poverty cycle.

### **Discussion**

Education is a process of renewing the meaning of experiences, whether in everyday interactions or interactions between adults and young people, deliberately and institutionalized to produce social continuity. Education can be used to assist the population in improving their standard of living to a higher level through their own efforts. Education is a conscious effort made by adults to lead students towards maturity, both physical and spiritual maturity, enabling them to stand independently in society and take responsibility for the life of the community, nation, and state. As a result, students can actively develop their potentials, including spiritual and religious strength, emotional control, and personality.

The process of humanizing individuals in education is considered a series of empowerment processes for the potential and competence of individuals to become empowered and qualified individuals throughout their lives. Education has the power to elevate human life to a higher social class, as expressed by Clark, stating that education can be used to help people improve their standard of living to a higher level through their own efforts.

Furthermore, in Article 1 of Law No. 20/2003 on the National Education System, education is defined as follows: "Education is a conscious and planned effort to create a conducive learning atmosphere and learning process so that students actively develop their potentials to have spiritual strength, self-control, personality, intelligence, noble character, and the skills needed for themselves, society, nation, and state."

(Diyanto et al., 2021) In the current global era, there is a process of globalization that unites human life. Since society is one of the stakeholders, the goals of educational institutions should also accommodate the desires of society, not just those of the bureaucracy. In this context, there should be institutions or organizational structures within educational institutions where the community participates. Education is inseparable from social change in a democratic society. This means that education is born as part of social life and, therefore, is a dynamic reality, making education itself dynamic in nature. Dynamic education results from dynamic management. The functions of education for society in the context of the nation include developing abilities and shaping character and the civilization of a dignified nation in order to enhance the intellectual life of the nation.

The essence of education is to humanize individuals. The humanization process sees individuals as a whole in their existence. As described earlier, the existence of a person is determined by their moral relationship with the four dimensions of life or with human rights, which have certain implications for obligations related to their existential relationships.

(Siregar & Azmi, 2022) Education as humanism shows that education is not a given thing, but rather an ongoing action. The educational process is a unity of reflective actions. This is the distinctive characteristic of education as a practical science. Habibie in stated that "the commercialization of education has led education to be an instrument for producing workers for the industrial sector, not as a process of enlightenment and maturation of society." The existence of the commercialization of education illustrates the current state of education, where education is more directed towards educational practices similar to a machine producer ready to supply the industrial market and measured economically. Education becomes exclusive and far removed from the general public, and only accessible to specific groups (the ruling elite).

(Sulfasyah & Arifin, 2017) also refers to three different definitions of the commercialization of education:

1. Commercialization refers to educational institutions with expensive educational programs and facilities. This type of commercialization also

refers to educational institutions that only prioritize charging registration and tuition fees but neglect their obligations to students.

2. Commercialization refers to educational institutions with highly expensive financing programs. In this sense, education can only be enjoyed by a group of economically strong communities. These institutions cannot be called commercialization because they do not trade education, but the tuition fees are very high. The high fees are used to facilitate educational services and provide high-quality infrastructure, such as providing information technology facilities, laboratories, and good libraries, as well as giving teachers or lecturers salaries according to the standards. The remaining budget is reinvested in educational infrastructure. This type of commercialization will not threaten the national education ideals or the ideals of Pancasila but may cause discrimination in national education.
3. Commercialization refers to educational institutions that only prioritize charging registration and tuition fees but neglect their educational obligations. This type of commercialization is often done by institutions or schools that promise educational services but do not match the fees they charge.

In the realm of economic inequality, it is evident in capitalist societies. To address this inequality, the state imposes heavy taxes on capitalists and provides aid to the unemployed and the poor. However, this compensation is considered sufficient to cover the flaws of the capitalist liberal system. Karl Marx and his followers criticize this system and seek to replace it with a more just system of socialism. However, in reality, socialist countries also face difficulties in bringing welfare to their citizens.

Capitalism has shown its advantages in competition with socialism, but it has not yet achieved socioeconomic justice in the global society. Although the world has made significant advancements in science and technology, there are still many poor countries, while only a few are wealthy. Poor countries still have opportunities to catch up if they find the right path. Organizational capitalism, as an economic system that considers the interests of all parties in economic activities, can improve the fate of the poor. The capitalist organizational economic system arranges the economy as a living organism.

## CONCLUSION

The forms of educational commercialization that occur are high tuition fees that are unaffordable for many people, especially those from lower socioeconomic backgrounds. These high costs apply to all levels of education, from the lowest to the highest levels. Additionally, numerous extra charges

beyond the mandatory fees, such as textbooks, national holidays' celebrations, and extracurricular activities, contribute to the increasing complaints about the escalating cost of education across all education levels.

The impacts of educational commercialization can be categorized into positive and negative impacts:

1. Positive impacts

Reduced government burden in financing education due to the various fees imposed by educational institutions, both mandatory and non-mandatory charges. Increased profits and revenue for educational institutions due to the high cost of education and the numerous extra charges, indirectly leading to financial gains. Improved competitiveness of educational institutions by enhancing facilities and the quality of education to attract more students, which contributes to the higher cost of education.

2. Negative impacts

Education becomes increasingly expensive, irrespective of the educational level, leading to financial barriers for accessing education, especially for higher education. The commercialization of education becomes a trend, with education likened to a market or supermarket providing services to customers, and educators are viewed as cashiers serving students. Stigmatization and discrimination between the wealthy and the less privileged impact access to quality education for those with lower financial capabilities. The poverty cycle becomes challenging to break through education, as the expensive cost of education hinders opportunities for socioeconomically disadvantaged individuals. Privatization of education leads to institutional autonomy in managing educational budgets, altering the mission of education from an academic culture to an economic one. In conclusion, the commercialization of education has resulted in significant financial burdens on students and their families, impacting their access to quality education. While there may be some positive aspects, the overall consequences highlight the need for addressing the high costs and promoting equitable and accessible education for all members of society.

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