

A new model for Islamic education financing: the significance of transnational Islamic educational movement in Indonesia

Surya Darma Hamonangan

Lecturer, North Sumatra State Institute for Islamic Studies

ABSTRACT

Funding mechanism has long been a crucial issue for Indonesian Islamic educational institutions. Muslims in these institutions bear costs ranging from very little, such as in homegrown Qur'anic memorization schools, to very much, such as in private 'international' Islamic schools. Through active involvement, literature review, and indepth interviews, this paper investigates the phenomenon of Islamic dormitories run by the transnational, Turkish-headquartered, Islamic movement United Islamic Cultural Centres of Indonesia (UICCI). It was found that UICCI provides 'luxurious' facilities, generous treatment of students and staff, and mutually symbiotic relationship with the people of the region in which its dormitories reside. This paper concludes that UICCI has managed to provide a new model for Islamic educational financing, one that balances institutional survival and excellence with implementation of social, national, and global responsibility, involving all stakeholders responsible for educational financing: state, students, parents, and philantrophists.

Keywords: Islamic education, education economics, transnational Islamic movement.

Funding mechanism has long been a crucial issue for Indonesian Islamic educational institutions. ⁴²³ Dilemma exists throughout the varied institutions from primary to tertiary levels in terms of balancing individual institutional survival and excellence to implementing social, national, and global responsibility. ⁴²⁴ Muslims in these institutions bear costs ranging from very little, such as the cases of 'transnational'

3219

⁴²³ Asrori S. Karni, *Etos studi kaum santri: wajah baru pendidikan Islam* (Bandung: Mizan Publika, 2009), p. 62.

See Abdul Mun'im DZ, *Penyegaran Pemikiran Islam: Dari Monoteisme ke Moneyteisme*, Nahdlatul Ulama website, [www.nu.or.id] (3 October 2012). See also Harum Akhmad Zuhdi, who enrolled his child to several different Islamic primary schools when he moved due to work throughout Indonesia, *Pendidikan Islam "Mahal" di Indonesia*, [har03m.blogspot.com] (3 October 2012).



Islamic boarding houses⁴²⁵ recently mushrooming in Indonesia, to very much, such as the cases of private 'international' Islamic primary to secondary schools.⁴²⁶ Purely homegrown phenomenons such as pesantrens, madrasahs, and universities have also expressed these different financing trends. Some homegrown Qur'anic memorization schools charged no fees⁴²⁷ while most international classes at State Islamic Universities charged fees out of reach of most Indonesian Muslims.⁴²⁸

Eventhough the ideal financing of 'public good' such as education through endowment (*waqf*) has slowly shown a promising trend⁴²⁹, this paper looks toward another promising quick solution to the financing of Islamic education applicable to most ranges of educational institutions mentioned previously. Research has shown that purely free-of-charge state education could actually manifest undesirable results such as student underperformance ⁴³⁰ and unfair class competition to enter prestigious

 $^{^{425}}$ These 'transnational Islamic boarding houses' are the focus of this paper and would be elaborated at a greater detail later.

⁴²⁶ See a useful coverage of this phenomenon by the popular Muslim magazine Hidayatullah, *Mahalnya Sebuah Bangku Sekolah*, [majalah.hidayatullah.com] (5 October 2012). Hidayatullah noted that entrance into these international Islamic schools cost at least Rp 5 million, greater than the monthly per capita income of an average Indonesian (around Rp 31.8 million annually – Rp 2.65 million monthly). For Indonesian per capita income in 2012 see Republic of Indonesia Coordinating Ministry for Economics, *Pemerintah Targetkan Pendapatan Per Kapita Capai US\$* 16 *Ribu di 2025*, [www.ekon.go.id] (14 October 2012).

⁴²⁷ Free-of-charge Qur'anic memorization schools could be found in almost every regency or city in Indonesia. This provides some legitimacy to the claim that Indonesia has the most number of Qur'anic memorizers in the world (30 thousand people compared to Saudi Arabia's 6 thousand). See Republika, *Jumlah Penghafal Alquran Indonesia Terbanyak di Dunia*, [www.republika.co.id], (5 October 2012). As with most Muslims in other parts of the world, Indonesians deem support of Qur'anic memorizers as an easy 'stairway to heaven', hence the willingness to contribute the funding of these schools to make it free-of-charge.

An example would be the change of Syarif Hidayatullah State Islamic University (*Universitas Islam Negeri Syarif Hidayatullah*) student composition, from students of low-income and village-based families to students of middle-class and urban-based families. See Dina Afrianty, *Indonesia's Islamic Educational Institutions and Radicalism among Muslim Youth*, ARC Federation Fellowship Islam Syari'ah and Governance Background Paper, (Melbourne: University of Melbourne Centre for Islamic Law and Society, 2011), p. 9.

The emergence of *waqf* (more appropriately 're-emergence' as *waqf* used to be the dominant means of financing 'public good' in the Muslim world) and other Islamic forms of charity have been significant enough to garner a series of regulations from the Indonesian Government and/or House of Representatives (DPR), including Law Number 41 Year 2004 on Endowment (*Undang-undang Number 41 Tahun 2004 tentang Wakaf*).

May the reader indulge the author for offering personal experience as evidence. 10 years being a Government of Singapore scholarship recipient, from junior high school to university, actually decreased the author's academic performance, especially towards the end of the 10 years. A complex set of factors caused this underperformance, not least the author's 'epiphany' of Singapore-Indonesia's hate-love relationship and awareness of Singapore's 'neoliberal governmentality.' (See the paper by the late Soek-Fang Sim, Social Engineering the World's Freest Economy: Neo-liberal capitalism and Neo-liberal Governmentality in Singapore, Rhizomes: Cultural Studies in Emerging Knowledge, Issue 10, Spring 2005,



universities ⁴³¹, while expensive education mostly because of costs purely borne by students and their parents would be out of reach to the majority of Indonesian Muslims. ⁴³² A balanced approach, in which students (through parents and/or state) pay for tuition expenses while a variety of philantrophists pay for living expenses and on a case-to-case basis pay also for tuition fees, would seem satisfactory, especially in manifesting social solidarity recommended throughout many passages in the Qur'an. ⁴³³

This balanced approach is currently practiced by a transnational Islamic movement operating in Indonesia, the United Islamic Cultural Centres of Indonesia (UICCI). Headquartered in Turkey, UICCI have established 8 dormitories throughout Indonesia. These dormitories take care of the living cost of students who then need only to worry about paying the tuition cost of their respective institutions of learning. These dormitories take care of their respective institutions of learning.

[http://www.rhizomes.net] (7 October 2012). Despite the complex set of factors, the free-of-charge education did not help the author's academic performance.

⁴³¹ See for example two papers of George Psacharopoulos, one of Education Economics pioneers: (1) The Perverse Effects of Public Subsidization of Education or How Equitable Is Free Education?, Comparative Education Review, Vol. 21, No. 1 (Feb., 1977), p. 69; (2) Public vs. Private University Systems, CESifo DICE Report, (Greece: European Experts Network on Economics of Education, 2004), p. 6-7. Three passing decades have only solidified Psacharopoulos position that 'free-for-all' state education is undesirable.

⁴³² There is an intense hullabaloo regarding 'the rise of Indonesia's middle class' in mainstream Indonesian newspapers. Two examples would be from the Roy Morgan Debnath Guharoy piece 'Analysis: How big is Indonesia's middle-class today?' and Cyrillus Harinowo Hadiwerdoyo op-ed piece 'Magnum ice cream and the Indonesian middle class', both accessed from the Jakarta Post website [www.thejakartapost.com] on 10 October 2012. Despite the hullabaloo, about half of Indonesian population still live below poverty line, an unacceptable rate for an aspiring developed country. See for example a report by Alexandra Di Stefano Pironti of Interpress Service News, an Agency of Journalism and Communication for Global Change, Poverty Rises With Wealth in Indonesia, [www.ipsnews.net] (11 October 2012).

⁴³³ Verses of Qur'an repeated ad nauseam by Ahmad Dahlan when founding Muhammadiyah, now the second largest mass-organization in Indonesia, are worth repeating. The Indonesian translation is given here as the author found it more forceful: *Tahukah kamu (orang) yang mendustakan agama? Itulah orang yang menghardik anak yatim. Dan tidak menganjurkan memberi makan orang miskin. Maka kecelakaanlah bagi orang-orang yang shalat (yaitu) orang-orang yang lalai dari shalatnya. Orang-orang yang berbuat riya. Dan enggan (menolong dengan) barang berguna.* In today's context, what good is more useful than a sound education?

⁴³⁴ According to Omer Kucukgokce (interview, 4 October 2012), the current Medan UICCI manager, which the author verified through the UICCI website, UICCI now has 8 dormitories throughout Indonesia, 4 in Jakarta, 1 in Jogjakarta, 1 in Kalimantan, and 2 in Aceh. See UICCI website at [www.uicci.org] (13 October 2012).

⁴³⁵ The 'unit cost' approach to education funding has showed that education cost is not only limited to direct cost such as tuition fee, but also includes living cost such as housing fee and transportation fee. The existence of UICCI dormitories allows philantrophists to help needy students, while ensuring students and parents be responsible for their academic progress as there is motivation to make their money used to pay for tuition fee worth it. The state has also contributed as education in any state learning institutions is heavily subsidized.

3221



What is most interesting about the dormitories is they provide in its housing facilities⁴³⁶ what most people in Indonesia will consider as luxuries⁴³⁷ including air-conditionings and swimming pools with the intention of making students comfortable so they could achieve their academic best.⁴³⁸ UICCI staff are also well treated, at least evidenced from the case of the current manager of Medan dormitory who is provided with a house and a car.⁴³⁹ The current funding of all the facilities enjoyed by the student and staff is provided by the generous UICCI Turkish supporters.⁴⁴⁰

The addition of more dormitories in Indonesia, including the one in Medan, shows that UICCI seems to have some measure of success in its current financing model. What attracts the author is that after lengthy examination of available evidence (such as by Pscharopoulos above), and intense reflection on what should be done regarding financing of Islamic education in Indonesia in light of available evidence, UICCI model of education financing shows a way forward as it involves all stakeholders responsible for educational financing: state, students, parents, and philantrophists, in the quest for individual institutional survival and excellence as well as implementation social, national, and global responsibility. All too often educational scholars and activists surrender to the either/or model, either really expensive Islamic education as a cost of being 'modern' or free-of-charge Islamic education as a cost of being 'traditional' 442. UICCI seems to escape the embrace of neoliberalism 443 and

⁴³⁶ A list of noteworthy 'facilities' found in UICCI dormitories as listed in its brochure: study room, dining room, prayer room, computer room, shower room, three meals a day, study excursion. The author obtained the brochure from Bulent Disbudak, a former Sumatra UICCI manager, when he requested the author to translate the Indonesian-language brochure into English. See also UICCI website.

⁴³⁷ Omer Kucukgokce, the current Medan UICCI manager, showed a similar conscientiousness of UICCI desire to provide 'luxurious' dormitory facilities for students when he rejected many houses that the author and several friends helped him found as candidates for the new Medan dormitory. An instance of 'luxury' preference would be the refusal to accept any house which does not have 'sitting' toilets. Upon further reflection by the author, UICCI does not prefer luxury. It merely tries to provide European style dormitory, which when compared to Indonesian style dormitory, could be rightly perceived as 'luxury'.

⁴³⁸ A colleague, Yumasdaleni, helped the author to interview students (August 2012) in UICCI headquarter in Jakarta. She found that the students are very content living in UICCI dormitory, and their routines help them to perform well in their respective institutions of learning. Omer corroborates this finding in numerous encounters with the author. However, the author has not managed to conduct a detailed examination of increase in student academic achievement such as increase in grade before and after living in UICCI dormitory.

⁴³⁹ The house is located in Royal Sumatra, one of the most luxurious housing complexes in Medan. The car provided is Toyota Avanza.

⁴⁴⁰ Numerous discussions with Omer.

⁴⁴¹ For example, modern as in teaching general and religious science in an integrated curriculum which requires expensive laboratory along with capable and accordingly well-paid teachers. Without state subsidy, the cost for these facilities would only be able to be borne by well-off families.

⁴⁴² Traditional here often means limiting the curriculum to religious curriculum such as Qur'an and Hadith memorization.



anachronism⁴⁴⁴ by providing students with real choice⁴⁴⁵ of what to do with their education. UICCI financing model is worthy of emulation by anyone or any institution concerned with proper financing of Islamic education!⁴⁴⁶

The author would also make the following important remarks: as the facilities in UICCI to a large extent is free-of-charge due to the generosity of its Turkish Muslims supporters through zakat (alms) or infaq (gifts), while students (through parents and/or state) pay for tuition, this paper found that: (1) Qur'anic teaching of global solidarity, especially among Muslims, are validated in light of UICCI transnational educational effort⁴⁴⁷; (2) Muslims could indeed contribute much more to the modern world if they are provided with the appropriate facilities⁴⁴⁸; (3) Current nation-state system, through limiting, does offer opportunities for creative Muslim philantrophists and social workers to help needy Muslims⁴⁴⁹; (4) Transnational Muslim movements are not limited to those 'terroristic' in nature, but include peaceful, peace loving, and peace spreading movement such as UICCI.⁴⁵⁰

References

Alquran

Afrianty, Dina. Indonesia's Islamic Educational Institutions and Radicalism among
Muslim Youth. ARC Federation Fellowship Islam Syari'ah and

⁴⁴³ Neoliberalism, as in the Pscharopoulos approach, seems to suggest that education should be fully privatized, which is unsuitable for the poor majority of Indonesian Muslims.

⁴⁴⁴ Anachronism here refers to the current tendency among lay Muslims of dichotomizing religious and general sciences.

Real choice here means that students are free every step of the way in a real sense. ... two most important: free of charge, free to engage/disengage...

⁴⁴⁶ That is student should pay tuition fee, but have their living cost subsidised by philantrophists in a 'luxurious' academic setting.

Hence any 'doom and gloom' vision of Islam and Muslims should be taken with a grain of salt. Two hadiths which state that 'Islam will always win' and 'Muslims are the best community' can be offered not only as normative statement but a descriptive one. Islam and Muslim success should be measured by Islam and Muslim standard, global solidarity being key to this standard, not any resemblance of 'Western modernity'.

⁴⁴⁸ For example the many scattered Indonesian scienctists abroad who flourished under appropriate setting. The example of Habibie, the third Indonesian president, whose invention in the area of aircraft innovation when living in Germany, comes to mind.

⁴⁴⁹ In Indonesia there is a near-consensus among Muslims scholars, such as those from the largest and second largest Muslim organization NU and Muhammadiyah, that reformers should work within the framework of nation-state.

⁴⁵⁰ Many other peaceful movements abound such as the Jamaat Tabligh, whose documentation by Barbara Metcalfe refutes any assertion otherwise. See Barbara Metcalf, *Piety, Persuasion, and Politics: Deoband's Model of Islamic Activism*, [http://essays.ssrc.org] (15 October 2012).



- Governance Background Paper. Melbourne: University of Melbourne Centre for Islamic Law and Society, 2011.
- DZ, Abdul Mun'im. *Penyegaran Pemikiran Islam: Dari Monoteisme ke Moneyteisme*. Situs Nahdlatul Ulama, [www.nu.or.id] (3 Oktober 2012).
- Guharoy, Debnath. *Analysis: How big is Indonesia's middle-class today?* The Jakarta Post. [www.thejakartapost.com] (10 October 2012)
- Hadiwerdoyo, Cyrillus Harinowo. *Magnum ice cream and the Indonesian middle class*. The Jakarta Post. [www.thejakartapost.com] (10 October 2012).
- Karni, Asrori S. *Etos studi kaum santri: wajah baru pendidikan Islam*. Bandung: Mizan Publika, 2009.
- Metcalf, Barbara. *Piety, Persuasion, and Politics: Deoband's Model of Islamic Activism.* [http://essays.ssrc.org] (15 October 2012)
- Pironti, Alexandra Di Stefano. *Poverty Rises With Wealth in Indonesia*. Interpress Service News. [www.ipsnews.net] (11 October 2012).
- Psacharopoulos, George. *Public vs. Private University Systems*. CESifo DICE Report. Greece: European Experts Network on Economics of Education, 2004.
- Republic of Indonesia Coordinating Ministry for Economics. *Pemerintah Targetkan Pendapatan Per Kapita Capai US\$ 16 Ribu di 2025.* [www.ekon.go.id] (14 October 2012).
- Republika. *Jumlah Penghafal Alquran Indonesia Terbanyak di Dunia*. [www.republika.co.id] (5 October 2012).
- Sim, Soek-Fang. Social Engineering the World's Freest Economy: Neo-liberal capitalism and Neo-liberal Governmentality in Singapore. Rhizomes: Cultural Studies in Emerging Knowledge, Issue 10, Spring 2005, [http://www.rhizomes.net] (7 October 2012).
- Sanaky, HAH. Paradigma Pembangunan Pendidikan di Indonesia Pasca Reformasi antara Mitos dan Realitas. Jurnal Ilmu-ilmu Sosial Unisia, 2006.
- Zuhdi, Harum Akhmad. *Pendidikan Islam "Mahal" di Indonesia*. Situs blog pribadi. [http://har03m.blogspot.com] (3 Oktober 2012).