Commercialization of Higher Education, Challenges of Education System in the Era of Technology 4.0

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ABSTRACT

Commercialization of Higher Education has become an increasingly dominant issue in the educational system in the era of Technology 4.0. This article attempts to identify the changes in the higher education paradigm caused by commercialization, including rising educational costs, profit, and influence on the curriculum. Additionally, the article examines the impact of commercialization on higher education, the challenges it faces, and ways to overcome the existing barriers. The research conducted a literature review. The writer uses documents such as journals, books, and online media as data sources. The collected data was analyzed using content analysis methods. This research reveals that the commercialization of education is a deliberate system created by both governments and investors. The government minimizes the government budget expenses by changing PTN to PTN-BH. At the same time, the investors try to optimize their profits from educational institutions without considering the achievement of educational goals. On the other hand, the commercialization of education reflects that education is treated as a commodity. However, it must be acknowledged that the commercialization of education has both positive and negative impacts. Therefore, efforts to mitigate the commercialization of education that can serve as a solution are needed. In this regard, the government, as the education decision maker, must regulate higher education quality and ensure broader accessibility. This requires a balanced approach between the commercial needs of universities and the interests of the public in providing quality education. Additionally, higher education must continue adapting to Technology 4.0 to maximize the potential for more inclusive and relevant education while maintaining the integrity of education and Islamic values.

Keywords: Commercialization, Technology 4.0, Inclusive Education, Islamic Values

INTRODUCTION

Commercialization within educational institutions has been extensively implemented across various educational settings. This practice extends beyond profit-seeking endeavors, aiming to deliver quality services by offering educational provisions, facilities, and competent staff. However, numerous educational institutions exploit education for commercial gains, prioritizing profit over integrity. Several
factors contribute to the commercialization of education within an institution. According to research by M. Rozali and Zainuddin in Muhaimin (2023), these factors include politics, culture, economics, social dynamics, and technology. The commercialization of education also yields various impacts, such as hindering lower-income individuals from fulfilling their educational aspirations due to high costs, benefiting specific entities, and resulting in a discrepancy between fees paid and the quality of facilities provided. Consequently, this fosters social inequalities between affluent and impoverished groups M. Rozali and Zainuddin in Muhaimin (2023).

The commercialization of education has become an increasingly contentious issue as technology advancing. This phenomenon involves the increasingly strong influence of commercial aspects in educational institutions, from elementary to university levels. In contemporary times, every higher education establishment is mandated to commercialize scientific and innovative advancements by harnessing their scientific capabilities efficiently.

Consequently, this underscores the obligation for all universities and research centers to engage in scientific and innovative pursuits within the framework of market dynamics (Mamarasulovich & Lecturer, 2021). These changes include increased private investment, use of technological platforms and applications to aid learning, and increased competition between educational institutions.

However, this change also brings a number of serious challenges that need to be overcome, including inequality in access to education and high educational costs causing various problems among economically weak groups of people, especially among university students. On March 9th, 2023, it was reported by Oke Edukasi media that 5 students died due to UKT victims, one of which went viral, a student majoring in history class in 2020 academic year, from one of the large campuses in Yogyakarta, who died after experiencing a crisis because of ruptured blood vessels. Previously, the student worked hard to fulfill the very high UKT payments. The ongoing problem of steep educational expenses, driven by the commercialization of education, recurs annually, notably before each new academic year.

However, the issue goes beyond inconvenience; it directly affects fairness and the basic right to quality education for all. As a result, individuals with limited financial means struggle to pursue higher education, hindering efforts to break the cycle of poverty through education.

The lack of educational opportunities underscores the diminishing role of education as a tool for empowerment in combating poverty. This cycle of poverty involves a self-perpetuating sequence where economic hardship blocks access to education, leading to limited job prospects, and thus, sustaining poverty. Consequently, education, meant to empower, loses its effectiveness in disrupting this cycle (Abidin et al., 2023).
In addition, the risk of educational institutions’ lack of accountability in a commercial context can have an impact on educational quality. There are concerns about the potential loss of core values in education in general, and Islamic education in particular, such as the greater purpose of education than just financial gain. “Globalization has become a major force that requires an appropriate response because this occurrence motivates many tribes and societies to devise survival and wealth-accumulation methods. This process has transformed the “market” into the dominant element in forming values and a social framework based on advanced and solid communication principles. It has also broadened society’s orientation and blurred social and cultural boundaries as a result of changes in spatial orientation in society (Almeida et al., 2016).

The commercialization of education does not represent the national education system, whose aim is to create people who are devout and have faith in Allah SWT. Therefore, studies on the commercialization of education in the Technology 4.0 era are very relevant. By understanding the challenges facing the world of education in this context, we can develop appropriate strategies and solutions to mitigate negative impacts, maintain the integrity of education, and ensure that technology 4.0 can truly support the improvement of the education system, both the national education system and the Islamic education system in Indonesia.

METHODS

The research method used qualitative research with library study research, specifically content analysis. Content analysis involves systematically categorizing and interpreting the content of textual data to identify patterns, themes, and insights relevant to the research objectives. In this case, content analysis would extract key findings and insights regarding the commercialization of higher education and its impacts. The collected data is then analyzed using content analysis methods. Literature study is a series of activities relating to methods of collecting library data, reading, taking notes and managing research materials by collecting several previous studies to answer the positive and negative impacts of commercialization on higher education in Indonesia. This literacy study was obtained from library sources, such as books, online media, and journals relevant to the research.

RESULT AND DISCUSSION

1. Commercialization and the Principle of Justice in Education

Definition of Commercialization of Education

The commercialization of education is often seen as an action or policy that makes education a service sector that can be traded. Commercialization was born from a liberal ideological education system. The central characteristic of education with a liberal ideology is that it always strives to adapt education to economic and political conditions outside the educational environment. In this
case, Milton Friedman and Frederik Van Hayek (2008) in Rumapea (2017), provide limitations regarding the commercialization of education as education is closely related to the needs of industrial society and market demands. In this case, Habibe (2005) and Rumapea (2017) consider that the commercialization of education has turned education into a tool for producing labor for industry, not a process of intellectual improvement and individual maturation. In other words, the commercialization of education in this context describes education currently more focused on a perspective that resembles institutions that produce human resources needed by industry and is measured in economic terms (such as efficiency and profitability). This is reflected in the consistency of the Ministry of Education's policies in recent years. Therefore, the competencies that students must master are efforts to fulfill and adapt to the demands of the world of work, as explained in each of the latest curriculum changes in Indonesia (Fakih, 2002), as quoted in (Fellang, 2022). This violates the essence of the purpose of education itself. As Saadah stated, the biggest mistake in the current global system is considering science as an item that can be traded (commercialized). Currently, higher education is often viewed like a business that tries to market knowledge, while the public is considered as customers (Susetya & Zulkarnaen, 2022).

Impact of Commercialization of Education

In the era of technology 4.0, where the global flow of information is so massive, it provides conveniences in various aspects of life through technological sophistication, including a technology-based education system, which has had positive and negative impacts on social life and people's behavior. One of the positive impacts of this commercialization is that competition between educational institutions is increasing. This encourages these institutions to improve the quality of their education, develop innovative programs, and pay attention to student needs. However, this competition can also create pressure to increase education costs, so that only certain groups can enjoy higher education. This can have a very significant impact on access to education, especially higher education, causing students from weak economic backgrounds to have limited access to commercial higher education. Reported by Muslimah News, parents who want to provide state higher education (PTN) to their children now have to bear a greater burden of costs. This is caused by the high single tuition fee (UKT) which is a quite heavy financial burden for parents and students alike. Septiana (2023), said that the increase in education costs was not in line with the increase in the income of most parents, as was the information she quoted from Kompas that the average education cost increased by around 15-20% per year, while the income of the Indonesian people increased only around 5.3%. {online Muslimah news} opinion.
Another negative impact of the commercialization of education is that many educational institutions are starting to adopt a view of education that is more related to economic aspects. As a result, many educational institutions fail to recognize that the learning process should be one of the main pillars in the humanization of human life. From the previous explanation, it can be concluded that the commercialization of education reflects a situation where education focuses more on economic aspects, such as making a profit, rather than on the principles of education itself. In this context, this indicates that measures of educational success in the context of humanization and individual development are not met (Rumapea, 2017).

**Causes of the Commercialization of Education**

The development of the commercialization of education is something that usually happens every day. Aryudhani (2023) stated that commercialization occurred on a massive scale, especially after a number of state universities (PTN) changed their status to legal entity state universities (PTN-BH). Moreover, when marked by the increasing influence of WCU (World Class University) and the emergence of various terms that seem friendly but are actually commercial, this situation is increasingly common in the world of higher education. PTN-BH is a higher education institution established by the government with the status of a public legal entity, providing full autonomy in managing its campus, and has regulations covering academic and non-academic aspects, including financial management. PTN-BH is increasing in reputation and is considered superior after the implementation of the Higher Education Endowment Fund Policy which was introduced by the Ministry of Education and Culture and the Ministry of Research and Technology on July 26th, 2022. This Endowment Fund Program is organized by the Ministry of Education and Culture together with the Education Fund Management Institute (LPDP) with funds of IDR 7 trillion provided by the LPDP. Every year, interest from this amount will be given to PTN-BH which succeeds in collecting funds from the community (online Muslimah news) opinion. Commercialization of education also occurs due to increased private investment in the education sector. Many educational institutions, especially universities, are experiencing increased funding from the private sector, which on the one hand can support the development of educational facilities and programs, but on the other hand, can lead to an increase in educational costs.

Secular regulations that charge fees for the education process have become one of the drivers of corruption in the education sector. This is also what triggers it increases in UKT fees.

**Principles of Justice in Education**

From the description above, it shows that commercialization of education refers to the practice of making education a profit-oriented entity and trying to make money as the main priority, often sacrificing the quality and
accessibility of education. Thus, commercialization is contrary to the principles of justice that exist in the education system. As stated by Schouten (2012), regarding the objectives of fair education as follows, looking at it from a more abstract perspective, we can discern two primary objectives in the realm of educational justice. First, there is a focus on defining the scope of educational justice. In this context, we might inquire about the components of a proper education, including the essential resources and opportunities needed to achieve its intended goals. Second, there is an emphasis on delineating the principles that should govern students’ access to educational resources and opportunities. These principles essentially outline what constitutes a fair distribution of educational resources and opportunities.

Egalitarian viewpoints argue that all students should enjoy equal access to educational resources and opportunities (Brighouse & Swift, 2009; Mcleod & Uemura, 2012). On the other hand, sufficientarian perspectives assert that educational justice is achieved by ensuring that all students have access to a minimum level of quality education, while allowing for significant inequalities among students beyond this basic threshold Anderson & Satz, in (Schouten, 2012).

The quote identifies two general goals in the context of educational justice. First, there are attempts to define the scope of educational justice, which involves questions about what should be included in an adequate education for students, as well as the resources and opportunities that are essential or relevant to achieving appropriate educational goals. Second, there is an attempt to explain the principles that should govern the type of student access to educational resources and opportunities. These principles largely provide a view of what constitutes a fair distribution of educational resources and opportunities.

The egalitarian perspective argues that all students should have equal access to educational resources and opportunities (Brighouse & Swift, 2009; Mcleod & Uemura, 2012). On the other hand, the sufficientarian view holds that justice in education can be achieved by ensuring that all students have access to a certain minimum level of educational quality, but above this threshold, substantial inequalities between students are considered fair (Brighouse & Swift, 2009).

The principle of justice is also found in national education which is based on Pancasila and the 1945 Constitution of the Republic of Indonesia, which aims to develop the potential of students to become individuals who believe, obey God Almighty, have noble morals, are physically healthy, knowledgeable, skilled, creative, able to be independent, and become democratic and responsible citizens. This function is carried out by the government through the national education system in accordance with the provisions regulated in Law No. 20 of 2003 concerning the National
Education System (Munirah, 2015). This is in line with one of UNESCO's main goals which is to promote quality education for all, without discrimination. They actively promote universal and inclusive education for all individuals, including those in remote or high-risk areas. The educational principles used by UNESCO are advocating the principles of education for all and lifelong education.

Indonesia also has a similar commitment in this context. This commitment, at a more general and fundamental level, is reflected in the UUD 1945 which states the goals of independence, including increasing the intelligence of the nation's life. In Article 31 (paragraph 1) of the UUD 1945 it is expressly stated that "Every Indonesian citizen has the right to education." Furthermore, Republic of Indonesia Law No. 20 of 2003 concerning the National Education System, Article 34, paragraph (1), mandates that every citizen aged 6 years or over can take part in the compulsory education program, which according to the National Education System Law includes aged 7 to 15 years at the basic education level." (Wahyudi, 2015).

The description above shows that the commercialization of education ignores the principle of justice which is one of the most important pillars in the implementation of education. According to Giroux (2014), increasing commercialization in the world of education has transformed educational institutions that should focus on economic efficiency into entities that provide services for society's elite while producing a workforce.

2. Commercialization and Challenges of the World of Higher Education in the Era of Technology 4.0

One of the impacts of the commercialization of education is increasing educational costs. Not only do private educational institutions and online course providers often charge high fees, state educational institutions also do the same thing with independent programs. This can make higher education more expensive and can exacerbate accessibility problems that leave students burdened by educational debt. This can be a complex problem in the Technology 4.0 era. Students from lower economic backgrounds are limited in access to commercial higher education, narrowed down from Muslim women.com on July 10th, 2023, that since UKT was implemented in 2013, parents and students have been very burdened with education costs. Even the BEM Keluarga Mahasiswa (Kema) of Unpad revealed in 2022 that many prospective new students who were accepted on campus withdrew because of the high UKT fees.

Furthermore, the Head of BEM Kema Unpad, Mohammad Haikal Febriansyah, said that as many as 50 students had also complained about the increase in UKT for the past few semesters. In the era of Technology 4.0, competition between higher education institutions and online education providers can increase. This can encourage institutions to compete to attract
students, which can influence marketing methods, curriculum offerings, and educational program choices. When higher education institutions or education providers seek to make a profit, there is a risk that the quality of education may be compromised. They may focus on minimizing operational costs or increasing student numbers rather than ensuring quality education. Of course, this is not a problem for students from certain groups of society who are pursuing higher education and expect only a diploma. On the other hand, it is a big problem for higher education service providers, both public and private, who provide the best and highest quality services but offer UKT, which is not affordable for economically weak communities. A number of universities with certain majors can lack interest. Moreover, in the digital era, there is a lot of content that offers job opportunities that can be attractive to Generation Z.

The current massive flow of global and artificial intelligence could lead Generation Z. This generation is supposed to fill higher education spaces at the undergraduate level, to behave negatively due to dropping out of school or failing to receive higher education due to high UKT fees. Even those who succeed in becoming students are involved in online gambling and prostitution as one of the impacts of the misuse of technology among students to overcome their financial needs. At one of the leading universities in Jakarta, there was a report from a student who stated that after playing online slot machine gambling for more than a year, he had run out of money and was in debt. Meanwhile, there is also the problem of online prostitution carried out by female students at a university in Sleman, Yogyakarta. A student who led this practice was arrested by officers from the Ditreskrimun Polda when he was recruiting two women to work as sex workers for millions of rupiahs. He noted that these transactions can be carried out through social media and special platforms providing prostitution services. (Sujarwo et al., 2022; Irlina, 2023).

3. Overcoming Education Commercialization Issues

Government Makes Regulations Based on Educational Goals

Careful thought and wise action are needed from higher education institutions, the government and other stakeholders to overcome the problem of the commercialization of education; one of the things that can be done is to create regulations. The government needs to ensure that the practice of commercialization of education does not harm the quality of education and that there is fair accessibility to make the nation's life intelligent. Second, online education and education providers often adopt subscription-focused business models or segmented curriculum sales, which tend to focus only on flexibility for students but usually ignore the quality and sustainability of these business models, which need to be supervised by an institution appointed by the government. Thirdly, understanding the impact of educational commercialization and managing changes
related to Technology 4.0 is important to maintain relevant, quality and inclusive higher education.

Managing Higher Education with an Islamic Education System

This is in contrast to the principle in Islam that considers knowledge like rainwater available to everyone without paying any cost. Before discussing the governance of higher education in Islam, explain the meaning and purpose of Islamic education. Islamic education is an education system that involves all aspects of life needed by students, with the guidance of Islamic teachings. In Muhammad’s view, presented by Asmirawanti et al. (2016), Islamic religious education is an effort to change individual behaviour in personal life, in society, and the surrounding environment through the educational process. This change is based on Islamic values. Islamic education experts at the Islamic education conference in 1977 formulated the purpose of Islamic education as follows: 20: 1. Cultivating and developing piety to God, as God says: O you who believe, fear God, truly fear God. His; and you should never die except in the state of Islam. (QS. Ali Imran: 102) 2. Cultivating an attitude and a soul that always worships God. As God said: And I did not create jinn and humans except that they 3. worship Me. (QS. adz-Dzariyat: 56) 17 Muhaimin and Abdul Mujib, Islamic Education Thought: A Philosophical Study and its Operationalization Policy Framework (Muhaimin, 1993).

The formulation of the objectives of Islamic education produced from the 1980 World Islamic Education Seminar in Islam aims at the balanced growth of the total personality of man through the training of man's spirit, intellect, rational self, feeling and bodily sense. Education should, therefore, cater for the growth of man in all aspects, spiritual, intellectual, imaginative, physical, scientific, and linguistic, both individually and collectively, and motivate all these aspects toward goodness and attainment of perfection. The ultimate aim of education lies in the realization of complete submission to Allah on the individual level of the community and humanity at large”. Education aims to achieve balanced growth in the total human personality through spiritual training, intellect, ratio feelings and five senses. Therefore, education should provide services for human development in all aspects, including spiritual, intellectual, imaginative, physical, scientific, and linguistic aspects. Both individually and collectively, in addition to motivating all these aspects towards goodness.

IJM Director Agung Wisnuwardana, as reported by mediaumat.id, explained the principles of higher education governance in the Islamic system as follows:

1. Higher education must be free from commercial elements. The government must guarantee that every citizen has access to quality education free of charge because, in Islam, learning is considered an obligation of every Muslim that the state must fulfil.
2. The government must be fully responsible for providing educational services. The state is not allowed to take political steps that could reduce the role of leaders to merely being regulators.

3. Education service strategies must focus on three main aspects: simplicity in regulations, fast service delivery, and carried out by competent and professional individuals. With this approach, parents and students will not be burdened with high education costs because the Islamic principle is not to commercialize education.

4. The country should provide an adequate budget for free and quality education services for all citizens. If the community's needs are not met, this can cause losses. According to the Messenger of Allah's words, peace and blessings are upon him, "You must not harm yourself, nor harm others." (HR Ahmad and Ibn Majah).

CONCLUSION

The main findings in the commercialization of education in the Technology 4.0 era area number of state universities (PTN) changed their status to legal entity state universities (PTN-BH) which triggered an increase in UKT payments and increased private investment in the education sector. Many educational institutions, especially universities, are experiencing increased funding from the private sector, which, on the one hand, can support the development of educational facilities and programs, but on the other hand, can lead to an increase in educational costs.

Both changes in status from PTN to PTN-BH and increases in private investment are often accompanied by increases in education costs. This can create inequalities in educational access, where individuals from less well-off strata of society may be deterred by high educational costs. To overcome this problem, there needs to be policy steps that ensure fair and equitable access to education for all.

In facing competition and commercialization, it is important to have strict regulations and strong accountability mechanisms for educational institutions that refer to educational goals, both national education goals, Islamic education goals, and global education goals. This will help maintain the quality of education, prevent practices that harm students, and ensure that educational institutions are accountable for their actions.

It is important to note that the commercialization of education in the Technology 4.0 era brings benefits and challenges. With a deep understanding of these findings, education can develop in line with technology, while maintaining the core goals of education, namely providing fair, quality and sustainable access for all individuals, based on Islamic values.

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