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Transnational education and education sovereignty
The Indonesia-US education relationship case study

A thesis

submitted in fulfilment

of the requirements for the degree

of

Doctor of Philosophy

in

POLITICAL SCIENCE AND PUBLIC POLICY

at

The University of Waikato

by

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THE UNIVERSITY OF
WAIKATO
Te Whare Wānanga o Waikato

2014

“...it, unfortunately, can be safely said there is no country in the world as important as this [Indonesia] about which we know so little.”

Paul Wolfowitz, former United States Ambassador to Indonesia, Testimony to the Committee on International Relations, USA, House of Representatives, May 7, 1997

“Simple exchanges can break down walls between us, for when people come together and speak to one another and share a common experience, then their common humanity is revealed. We are reminded that we’re joined together by our pursuit of a life that’s productive and purposeful, and when that happens mistrust begins to fade and our smaller differences no longer overshadow the things that we share. And that’s where progress begins.”

Barack Obama, remarks at student roundtable in Istanbul, Turkey, April 7, 2009

ABSTRACT

This thesis examines the extent to which the educational sovereignty of a less developed state can be sustained when it considerably expands its involvement with transnational education. The thesis focuses on the case of Indonesia, which, since independence, has increasingly drawn on the education programmes of foreign providers, especially the US, as it has pursued its development agenda. In this context, the growth in the prevalence and importance of transnational education has led to questions about its impact on Indonesia. These questions are centred on whether transnational education is a vehicle through which Western education influences affect both the cultures and educational systems of non-Western states through the one-way transfer of knowledge. The case of the Indonesia-US education relationship provides a unique situation for the study of transnational educational exchanges and questions of educational sovereignty. In this case study, based on in-depth interviews with key actors in the negotiation of Indonesia-US education agreements and a comprehensive review of the official documents and other relevant literature, the extent to which Indonesia's educational sovereignty has been sustained through a period which has seen the strengthening the Indonesia-US education relationship, is examined. The research finds that Indonesian enthusiasm for access to US education resources and opportunities is tempered by sensitivity to the risk of losing control over educational programmes. Negotiations over educational agreements are characterised by the assertion of equal status by Indonesian officials and confidence in their ability to retain control. This thesis concludes that sustaining educational sovereignty depends on the ability of the state to negotiate and renegotiate the terms of the relationship with provider states.

ACKNOWLEDGMENT

This thesis is a product of my long four year learning journey. There are many people whose assistance is invaluable and without whose assistance, it would not be possible for me to write this thesis:

Special thanks to my husband, Maxwell, who has been very supportive. Words are not adequate to express my gratitude and appreciation to you. Thank you. Thank you for your love and patience. Thank you for being with me in good and bad times. I love you so much.

Sincere thanks to my chief supervisor, Dr Alan Simpson, who has supported and encouraged me and stood by my side from the very beginning of my PhD candidature. Dr Simpson has been one of the sources of my inspiration. I really value not only his knowledge but also his wisdom.

Sincere thanks to my co-supervisor, Dr Patrick Barrett, for his invaluable comments on this research. Thank you for challenging me to be a critical writer. Thank you for your time and patience.

I also want to say thank you to my friends Kayanee Boonpath, and Soroush Vahnabi, who have been with me in good and bad times during my candidature. Thank you for encouraging me and standing by my side. Thanks also to Indi Akurugoda, and my officemate, John Kalu, for their practical support.

I would also like to thank Professor Dov Bing and colleagues from the Department of Political Science and Public Policy, with whom I have had the opportunity to discuss my research and other areas, and/or to share overcoming obstacles during my PhD candidature: Handren Delan, Ibikunle Adeakin, Simon Grey, Mamadou Bah, Graeme Mackenzie, Stanley Jagger, Melanie Jones-Leaning, and Nyamamaa Avirmed. Sincere thanks to Chandra Pandey for his input and time.

Thank you to Gillian O'Neil, Frances Douch, Heather Morrell, Jillene Bydder, and Jenny McGhee and for your assistance. Thanks are also due to all my respondents for their cooperation. Without them, this thesis could not be produced.

My deepest gratitude also due to my mother, father, my late mother in law, my sister Indra, my brothers Rico and Daniel, and my aunty In, for supporting and encouraging me in so many ways. Last but not the least, I am very grateful to all my children: Isaac, Jacob, Joshua, and Rebecca, for their love and patience.

Hamilton, 28th of August 2014

DEDICATION

This thesis is dedicated to my heavenly Father. He is the centre of my life. When I almost gave up and lost my strength, I called upon His name. He has fulfilled all my needs.

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LIST OF ABBREVIATIONS

BAN PT	Badan Akreditasi Nasional Perguruan Tinggi (Accreditation Board of National Higher Education)
BHMN	Badan Hukum Milik Negara (State Legal Entity)
BHP	Badan Hukum Pendidikan (Education Legal Body)
DIKTI	Direktorat Jenderal Pendidikan Tinggi (Directorate General of Higher Education)
DAAD	Deutscher Akademischer Austauschdienst
EFA	Education For All
ERASMUS	European Action Scheme for the Mobility of University Students
FIRST	Fulbright Indonesia Research, Science, and Technology
GATS	General Agreement on Trade in Services
HELM	Higher Education Leadership and Management
HIID	Harvard Institute for International Development
IATF	Inter-Agency Trade Framework
ICJ	International Court of Justice
ITAP	Indonesia Trade Assistance Program
KOPERTIS	Kordinasi Perguruan Tinggi Swasta (Coordination of Private Higher Education Institutions)
KURNAS	Kurikulum Nasional (National Curriculum)
KTSP	Kurikulum Tingkat Satuan Pendidikan (Education Unit Level Curriculum)
LDSs	Less-Developed States
LIPI	Lembaga Ilmu Pengetahuan Indonesia (Indonesian Institute of Science)
MDGs	Millennium Development Goals
MKDU	Mata Kuliah Dasar Umum (general basic subjects)

MKDK	Mata Kuliah Dasar Keahlian (specialist basic subjects)
MKDP	Mata Kuliah Penunjang (supporting subjects)
MoA	Memorandum of Agreement
MoU	Memorandum of Understanding
MONE	Ministry of National Education
OECD	Organisation for Economic Cooperation and Development
PAU	Pusat Antar Universitas (Inter-university Centre)
PEER	Partnerships for Enhanced Engagement in Research
PETA	Pembela Tanah Air (Defender of the Motherland)
PMDK	Penelusuran Minat dan Kemampuan (Interests and Skills Search Programme)
PPP	Public-Private Partnership
PRESTASI	Programmes to Extend Scholarships and Training To Achieve Sustainable Impacts
RENSTRA	Rencana Strategis (Strategic Planning)
TREDA	Trade and Research Development Agency
UNESCO	United Nations Educational, Scientific, and Cultural Organization
USAID	US Agency for International Development
USINDO	US-Indonesia Society
USINTEC	US-Indonesia Teacher Education Consortium
UUD 1945	Undang-Undang Dasar 1945 (the Constitution 1945)
VoIP	Voice over Internet Protocol
WTO	World Trade Organization

CHAPTER I

INTRODUCTION

1.1 Background to the study

The origins of this thesis go back to the writer's experience of post-secondary education in Indonesia as an undergraduate student under the *Penelusuran Minat dan Kemampuan (PMDK)* or Interests and Skills Search Programme. It was a privilege to have been offered a place at the Bogor Institute of Agriculture. Entry to elite universities such as Gajah Mada University, the University of Indonesia, the University of Diponegoro, Bandung Institute of Technology, and the Bogor Institute of Agriculture is very competitive, and being able to attend one of these institutions is regarded as prestigious because their academic standards are high and entry is on merit. The first year was rigorous. I had to pass all my papers: Pancasila, religious studies, science, maths, civic education, *bahasa* Indonesia, and introduction to agriculture. If I did not pass, the institute would not offer any invitations to my school, and I would not be able to do my undergraduate studies. Although there are private universities, they tend to be of low quality. There are only a few private universities that are highly regarded as reputable for their quality, such as the Christian University of Indonesia, Muhammadiyah University in Yogyakarta, Pelita Harapan University, and Petra Christian University. They are, however, very expensive for lower middle class students. After three years hard work, I successfully completed a Bachelor's degree in Fisheries and Marine Science at Bogor Institute of Agriculture.

Continuing postgraduate studies in the US or UK was one of my dreams. American and English education were commonly viewed as highly prestigious. Families, friends, neighbours, and the media all regarded them as extremely

impressive. Having postgraduate qualifications from either of these countries would also mean better job prospects. These graduate schools were, however, mainly for the rich. In addition, achieving the required competence in IELTS (International English Language Testing System) or TOEFL (Test of English as a Foreign Language) would be costly.

My educational experience in Indonesia has fostered for me a continuing interest in the role of higher education, including foreign education such as American higher education, in Indonesia's development. The influential Indonesian and Western scholars in this field have been Dewi Fortuna Anwar, Rizal Sukma, Hadi Soesastro, Timo Kivimaki, Franklin Weinstein, and Michael Leifer.¹ Kivimaki's analysis of the negotiations between Indonesia and the US offered key insights into why the US, in spite of having bargaining power in the negotiations, had often accommodated the Indonesians' demands and needs. A strong sense of nationalism has been one of the key motivators of Indonesian negotiators as they have sought to maximise their gains in the relationship. Sukma argued that Indonesia's foreign policy was driven by the historical memory of colonialism, and thus was governed by two fundamental principles: anti-colonialism and an 'independent and active' foreign policy.² Similarly, Weinstein's assertion that Indonesia's 'independent and active' proclamation is the "unchallengeable doctrinal basis of Indonesia's foreign policy" informs us of the importance of Indonesia's foreign policy in its international affairs.³ Stronger cooperation with the US, nonetheless, has been

¹ The works of Stephen Hoadley on Asian security and US foreign policy in Asia have also been influential. Some of Hoadley's works include Stephen Hoadley, "Problems and Reforms in Indonesian Development Administration," *Southeast Asian Affairs 2009* (Singapore: Institute of Southeast Asian Studies, 1976), 192-200; Stephen Hoadley and Jurgen Ruland (eds), *Asian Security Reassessed* (Singapore: Institute of Southeast Asian Studies, 2006).

² Rizal Sukma, "The Evolution of Indonesia's Foreign Policy: An Indonesian View," *Asian Survey*, 35 (1995): 304-315.

³ Franklin Weinstein, *Indonesian Foreign Policy and the Dilemma of Dependence: From Sukarno to Suharto* (Ithaca, NY: Cornell University Press, 1976). Also see Rizal Sukma, "Indonesia's *bebas aktif* Foreign Policy, and the Security Agreement with Australia," *Australian Journal of International Affairs*, 51 (1997): 231-241. Sukma, (1995).

supported by Indonesian politicians and scholars. Dewi Fortuna Anwar, the deputy for political affairs to the vice president, maintains that Indonesia must be able to make the most of stronger ties with the US, given that there are always national interests that Indonesia must pursue within the relationship.⁴ Anwar emphasised that Indonesia should be able to be more assertive given its important role in ASEAN, and must be in a position where Washington should be compelled to consult with Jakarta every time Washington wants to create a policy that could affect Southeast Asian regions.⁵ Cooperation with the US, according to Anwar, should not be limited to the military but should also include economic and education relations.⁶

There have been controversies surrounding the role of foreign training, such as American education. Arnove, Bodenheimer, and Ransom argue that through its resources, the Ford Foundation assisted with modernising and strengthening Indonesia's elite in the 1950s and 1960s.⁷ An important ramification of this modernising effort, according to Magat, has been that Indonesia followed the pattern of Western development, based on the assumption that development involved Western knowledge.⁸

A particular debate surrounding foreign education is related to the presence of foreign education institutions in Indonesia. Article 90 of the higher education law sets conditions for the presence of foreign education institutions in Indonesia: they have to be non-profit; or partner with Indonesian education institutions; and, they must also be approved by the Ministry of Education.⁹

⁴ In Bagus Saragih, "Indonesia must Benefit from US Asia Pivot," *Jakarta Post*, August 28, 2013.

⁵ Ibid.

⁶ Ibid.

⁷ Robert Arnove, "The Ford Foundation and 'Competence building' Overseas": Assumptions, Approaches, and Outcomes," *Studies in Comparative International Development*, 12 (1977): 100-126; David Ransom, *The Trojan Horse: A Radical Look at Foreign Aid*, (San Francisco: Ramparts Press, 1974): 93-116; Indeerjeet Parmar, "American Foundations and Development of International Knowledge Networks," *Global Networks*, 2 (2002): 13-30.

⁸ Richard Magat, *The Ford Foundation at Work: Philanthropic Choices, Methods, and Styles*, (New York: Plenum Press, 1979).

⁹ See <http://www.bkpm.go.id>.

Because of this regulation, Monash University has not established a branch institution in Indonesia.¹⁰ For those opposed to the establishment of foreign education institutions, such as the Indonesian Deans' Forum, education is not a tradable product or commodity, but has the noble value of maintaining and developing Indonesia's civilisation and culture.¹¹ For the proponents, every government and private sector including the education sector has felt the impact of globalisation.¹² According to Riady, it is important to build a "critical mass of citizens who understand the complexity of the world and can serve as bridges to other cultures and communities. A solid group of foreign educated citizens is essential to achieving this role."¹³

The Indonesian Deans' Forum, in spite of its rejection of the commercial presence of foreign education institutions in Indonesia, does not deny the important role of foreign education in improving the quality of education for Indonesian students.¹⁴ There are only a few good quality Indonesian higher education institutions such as the elite state universities and several private universities, and they only operate in big cities. The *Jakarta Post* reports as having determined that only 60 per cent of lecturers in the bigger universities, institutes, and academies have master's degrees or higher, while the number of lecturers with master's degrees reaches only 40% in some other universities.¹⁵

Low education quality at the higher education level, and the high demand for quality education were ultimately a challenge for Indonesian

¹⁰ Bernard Lane, "Indonesia Outlooks Uncertain for Branch Campuses," *The Australian*, March 19, 2013.

¹¹ Rudijanto, "Liberalization in Education: A Threat or a Necessity?" *The Jakarta Post*, Wednesday, January 26, 2005.

¹² Lane, (2013).

¹³ John Riady, "Top Flight Foreign Educated Graduates can help Indonesia go truly Global," *The Jakarta Globe*, January 15, 2010.

¹⁴ Rudijanto, (2005).

¹⁵ Ibid.

policy makers. This research, therefore, explores the impact of transnational educational exchanges on Indonesia.

Education has been emphasised by the government of Indonesia to be the keystone of Indonesia's development. In its effort to generate knowledge, skills, and scientific progress to bring about that development, the Indonesian government has attempted to address the nation's education needs through increasing expenditure on education and through legislation to raise both the quality and the coverage of educational opportunities. In pursuing these goals, Indonesia is increasingly drawing on modes of transnational education.

The Indonesian government has welcomed foreign education institutions and financial assistance, including American aid for education, to assist in addressing poor education standards and to enhance the global competitiveness of the country's students. American education programmes have held a place in Indonesia since the 1950s, and various aid programmes have enabled Indonesian students to study in the US. American scholarship programmes, such as those provided by the Ford and Rockefeller foundations, have supported prospective academic staff from Indonesian universities who wished to study in the US.¹⁶ In Indonesia itself, American textbooks and literature have been extensively used.¹⁷ The US, through science and engineering projects, has also provided large amounts of equipment to support teaching.¹⁸

The enactment of new legislation enabling access to Indonesia's education market for foreign providers, including American education institutions, has led to important developments in the present day Indonesian post-secondary education system. The US involvement in the education sector

¹⁶ Mochtari Buchori and Abdul Malik. "The Evolution of Higher Education in Indonesia, In *Asian Universities: Historical Perspectives and Contemporary Challenges*, Eds. Philip Altbach and Toru Umakoshi. Baltimore, ML: The John Hopkins University Press, 2004.

¹⁷ Ibid.

¹⁸ Ibid.

has played an important role in these developments, through both the provision of educational programmes and through financial assistance. There has been notable growth in academic and research collaboration since 2010, with this marking a new stage in the education relationship between Indonesia and the US.

It is within the context of these US-led initiatives that questions have emerged about whether the Indonesian government is vulnerable to losing its control over the content and delivery of education. Moreover, such collaboration leads to important questions that have relevance beyond the Indonesia-US relationship, to situations where educational exchanges occur between dominant provider/donor states and weaker recipient states. These questions include: Does the dominance or sway of the provider states, in terms of language, curriculum, and expertise, weaken the capacity of the recipient state to retain control over its education system? Similarly, does the ability of recipient states to regulate the flow of educational aid decrease the influence of the provider/donor states in these contexts? Such questions about the extent to which less developed states have the capacity to control their national education can be summed up in one question: Does transnational education diminish educational sovereignty? In the US-Indonesia context, the question is concerned with whether Indonesia is vulnerable to losing its educational sovereignty. This thesis seeks to explore these questions by assessing the significance of transnational education and educational sovereignty in the Indonesia-US education relationship.

1.2 Rationale

Transnational education is not a new phenomenon. Colonialism was a significant, historical factor in establishing transnational education. During the colonial period in Indonesia, for example, as a result of the lack of trained engineers, the Dutch opened various professional colleges in which Dutch

experts had significant roles in training Indonesians. From one perspective, this arrangement reflected a view that education is a foundation of economic development, because education attainment improves the economic status of the individual, and, hence, addresses the issues of a nation's rates of poverty and illiteracy. In Indonesia, education has been the cornerstone of the nation's economic development initiatives.¹⁹ While transnational education is not new, the growing awareness of questions around educational sovereignty are new. Debates about the merits and threats associated with transnational education, particularly in terms of its potential impact on less developed states (LDSs), have emerged in the literature (see chapter 2). As the WTO's General Agreement on Trade in Services (GATS) has facilitated greater cross-border flows of education services, educational sovereignty has become a critical issue in LDSs.

During the Suharto era, education played a defining role in Indonesia's economic development and growing political stability. More recently, in the current surge of globalisation, it has become even more important to the process of development, equipping citizens to participate in a rapidly changing world. As an area of government policy, it has grown in importance, as it is recognised as playing an important role in developing a resilient economy by producing a more highly skilled labour force.

Suharto accepted foreign aid and loans as being necessary to promote development. He re-established relationships with the Western world (a relationship which had suffered during Sukarno's presidency) and welcomed foreign aid to Indonesia such as that from the World Bank, the US Agency for

¹⁹ See Mochtar Buchori and Abdul Malik, "The Evolution of Higher Education in Indonesia," in *Asian Universities: Historical Perspectives and Contemporary Challenges*, eds. Philip Albatch and Toru Umakoshi (Baltimore, MD: The Johns Hopkins University Press, 2004): 249-277; Dewi Fortuna Anwar, "Human Security: An Intractable Problem in Asia," in *Asian Security Order: Instrumental and Normative Features*, ed. Muthiah Alagappa (Stanford, CA: Stanford University Press, 2003).

International Development (USAID), and the Harvard Institute for International Development (HIID).

Today, education is emphasised in Indonesia's strategic planning or *RENSTRA* and plays an important role in reaching development goals. Indonesia aims to achieve Education for All (EFA) and that aspiration is stated in the Millennium Development Goals (MDGs).²⁰ Through USAID, support for improving the quality of education comes not only from improving education infrastructure, but also through training educators and increasing access to higher education opportunities for the wider communities. Today, USAID also provides grants to support activities that expand access to quality education services in remote areas.²¹ USAID has also sponsored cluster-based in-service training, training in education performance assessment, training in the use of information and communication technology, Partnerships for Enhanced Engagement in Research (PEER), and Programmes to Extend Scholarships and Training to Achieve Sustainable Impacts (PRESTASI).

Since 2010, the US has also committed itself to invest \$165 million over five years in education programmes through educational exchanges with Indonesia.²² Post-secondary education programmes in Indonesia involving study abroad for dual degrees²³ include: academic and research collaboration between Indonesian and American universities and invitations for young Indonesians to study at US community colleges in the areas of agriculture,

²⁰ UNESCO. "Millennium Development Programmes." <http://www.unesco.org/new/en/education>.

²¹ USAID, "About SERASI," last modified May 20, 2013, <http://www.serasoi-ird.org/index.php>.

²² Cameron Hume, "Number of Indonesian Students in US Doubled," *Jakarta Post*, Friday 13, November 2009; The US made a commitment to grant Indonesia \$301 million for environment and climate change research, development, and education. See *Jakarta Post*, "US Puts up \$301 Million for Partnership with RI," <http://thejakartapost.com>; US Embassy in Indonesia, "Ambassador Marciel's Visit to Eastern Indonesia," <http://www.jakarta.usembassy.gov>; USAID, "Fact Sheet: Higher Education Partnership with Indonesia," <http://www.indonesia.usaid.gov>.

²³ See chapter 2 for modes of education delivery.

business, engineering, information technology, and health.²⁴ To equip these students with the language skills for such study, the US has established a large English Language Fellow Program (ELFP) in Indonesia, offering joint degrees, joint research projects, technical assistance, and scholarships.²⁵ The extent of the US involvement in the provision of education services in Indonesia is, therefore, significant.

The growth in the prevalence and importance of transnational education leads to questions about the impact on Indonesia. Critical education theorists such as Huang, Albatch, Nguyen, Elliot, Terlouw, and Pilot argue that transnational education is a vehicle through which Western education influences affect both the cultures and educational systems of non-Western states through the one-way transfer of knowledge, and thus higher-education systems adopted in Asian states are made to conform to Western academic patterns.²⁶ Other authors such as Tikly and Pennycook argue that educational institutions are sites of cultural struggle for peripheral states, as their governments seek to negotiate pathways to modernity while remaining true to their distinctive histories and sustaining their cultures.²⁷ Authors such as

²⁴ US Department of State, "Background Note: Indonesia," last modified February 20, 2013, <http://www.state.gov>; USAID, "Comprehensive Partnership," <http://www.indonesia.usaid.gov>; Maureen McClure, "Sustainable University Partnerships: National Education Reform Challenges in Decentralizing Indonesia," *International Studies in Education*, 8 (2007): 5-6; US Department of State, "United States-Indonesia Education Cooperation," Bureau of Educational and Cultural Affairs, <http://www.exchanges.state.gov>; The White House, "Fact Sheet: Higher Education Partnership with Indonesia," last modified February 10, 2013, http://www.whitehouse.gov/sites/defaultfiles/us-indonesia_higher_education_partnership.

²⁵ US Department of State, "United States-Indonesia Education Cooperation," Bureau of Educational and Cultural Affairs, last modified August 10, 2012, <http://www.exchanges.state.gov>; The White House, "Fact Sheet: Higher Education Partnership with Indonesia," http://www.whitehouse.gov/sites/default/files/us-indonesia_higher_education_partnership; Alan Dessoif, "Building Partnerships: Indonesia and the United States," *Embassy of Indonesia*, http://www.embassyofindonesia.org/education.docpdf/building_partnerships_indonesia_us.

²⁶ Phuong-Mai Nguyen, Julian Elliot, Cees Terlouw, and Albert Pilot, "Neo-colonialism in Education: Cooperative Learning in an Asian Context," *Comparative Education*, 45, (2009): 109-130.

²⁷ Leon Tikly, "Education and the New Imperialism," *Comparative Education*, 40, (2004): 173-198; Alastair Pennycook, *The Cultural Politics of English as an International Language* (Harlow, Essex: Longman Group Limited, 1994).

Siqueira, Verger, and Bonal draw attention to the threat of the WTO's General Agreement on Trade in Services (GATS) regulations on Most Favoured Nations and National Treatment. These forbid differential treatment for national and foreign education providers, and limit government control over courses to ensure they include the local language and cultural values.²⁸ Indeed, there are concerns about retaining national cultures and the loss of educational sovereignty as a result of transnational education.

In contrast to these perspectives, transnationalist and interdependence theorists laud transnational education for enabling the development of new skills, attitudes, and knowledge among students. Knight, for example, concludes that international academic exchanges and programmes that are a part of development projects and technical assistance programmes have been an important source of knowledge and skill for emerging states.²⁹ Naidoo observes that many LDSs lack academic resources and have such a small number of skilled academics that the provision of post-secondary education by foreign providers becomes an attractive solution.³⁰ Krasner argues that as international agreements are based on the mutual recognition of equal and independent states, parties can choose those agreements they consider to be beneficial for them. In this context, sovereignty in education is both a product of the relationship between the advanced state and the less-developed state, and the recipient state's political will, based on the benefits for them.

²⁸ Angela Siqueira, "The Regulation of Education through the WTO/GATS," *Journal for Critical Education Policy Studies*, 3, (2005): 1-16; Anthony Verger and Xavier Bonal, "Against GATS: The Sense of a Global Struggle," *Journal for Critical Education Policy Studies*, 4, (2006): 1-27.

²⁹ Jane Knight, "Internationalization Remodelled: Definition, Approaches, and Rationales," *Journal of Studies in International Education*, 8, (2004): 5-31.

³⁰ Rajani Naidoo, "Higher Education as a Global Commodity: The Perils and Promises for Developing Countries," *The Observatory on Borderless Higher Education*, February 2007: 1-19.

1.3 Objectives

This study aims to make both theoretical and empirical advances in the study of transnational education. At the theoretical level, it explores the defining features of educational sovereignty and thus offers a framework for the analysis and assessment of whether a loss of sovereignty has occurred as a consequence of the US-Indonesian educational relationship. Empirically, the study is aimed at providing an understanding of the complexity of the relationship between less developed and developed states by using the Indonesian-US education relationship case study. The case of the Indonesia-US education relationship provides a unique situation for the study of transnational educational exchanges and questions of educational sovereignty. Educational sovereignty is a concept in transnational education transactions, and the Indonesia-US case provides an opportunity to observe how educational sovereignty features in negotiations, which typically occur alongside initiatives to promote trade and development, and the promotion of understanding between states.

The study emphasises the education transactions with the US from 2009 onwards. In 2010, Indonesia and the US initiated a stronger relationship through the US-Indonesia Comprehensive Partnership.³¹ Although the US has been involved in the Indonesian education sector since Indonesia's independence, and was involved in education exchanges during the Bush and Megawati presidencies, Indonesia has recently reformed its education system and the country is now more welcoming and more open towards foreign education, and has commenced a stronger education relationship with the US.³²

³¹ See chapters 4 and 5.

³² Ibid.

1.4 Research design

The term transnational education is often used interchangeably with cross-border education, international education, borderless education, or offshore education. The notion of educational sovereignty essentially concerns the control over the design and delivery of educational programmes. To observe how questions of sovereignty are managed in transnational education exchanges, the Indonesia-US education relationship was chosen, as it is an example of what Yin refers to as a “typical case”³³ of a relationship between an economically powerful state and one that is less powerful. The case study explores the question of educational sovereignty, with a view to making a contribution to a theoretical understanding of the issue. The use of single case studies allows for the in-depth investigation of such questions through various methods and involves the collection of a wide variety of information as a basis for observations.

This case study is based on a comprehensive review of the official documents and other relevant literature, in addition to in-depth interviews with key actors in the negotiation of Indonesia-US education agreements, particularly as they relate to matters of authority and control in education policy and its implementation.³⁴ Interviews are also an important way of gaining access to information that is not publicly available, especially information pertaining to the negotiation process.

1.5 Chapter organisation

This thesis has ten chapters. Chapter 2 reviews the theory relevant to this thesis. It defines clearly what is meant by the term transnational education, and the concept of educational sovereignty. It outlines the increased activity in the various forms of transnational education, and examines the assumptions and arguments which underlie transnational

³³ Ibid.

³⁴ Denzin and Lincoln, (2003).

education. It also critically reviews and appraises the key debates over sovereignty in education. This chapter develops hypotheses and a framework of criteria to be used for assessing propositions and the established theories surrounding transnational education and educational sovereignty.

From chapter 2, chapter 3 moves on to develop the methodology to be used in identifying whether transnational education diminishes the educational sovereignty of the less developed state, and to explore and analyse the extent to which transnational education may be seen as diminishing Indonesia's educational sovereignty. Chapter 3 outlines the qualitative research approach and its rationale, the basis for the case selection, the design of the single case study, sampling, data analysis, and ethical considerations. Chapter 3 also outlines the steps taken to enhance the validity and reliability of this research.

The historical and political background of Indonesian post-secondary education is set out in chapter 4, and discussion of the Indonesia-US education relationship is provided in chapter 5. Chapter 4 sets out the context of the study by discussing the development of post-secondary education in Indonesia since the colonial era – a period during which the US played an evolving and significant role. Chapter 4 provides the setting for understanding the political and historical background of education in Indonesia, and in so doing seeks to understand the importance of sovereignty in education.

Chapter 5 outlines the transactions in education between the US and Indonesia, focusing on the development of transnational post-secondary education between Indonesia and the US, after the Suharto era. The chapter seeks to determine the nature and scope of the Indonesia-US education relationship based on the Memoranda of Understanding (MoU) entered into between Indonesia and the US, interviews, commentaries, related articles, and media reports. In chapter 5, the main features of the Indonesia-US education relationship are outlined and discussed, and the patterns and key themes

within MoUs are identified and analysed. The meanings and themes to emerge from supplementary documents, such as commentaries and reports, are also established. Perceptions of the effectiveness of Indonesian legislation, as it relates to post-secondary education, and the main concerns with the education relationship are also discussed.

An overview of the findings from interviews is presented in chapter 6, which also outlines emerging themes and key data findings from the interviews related to the research questions and hypotheses. In this chapter, several issues are explored and discussed: the perspectives and experiences of those dealing with the education transaction agreement between Indonesia and the US; the perspectives and experiences of those involved in negotiating financial assistance from the US for Indonesian education; and, the interviewees' perspectives and experiences with education curricula.

The patterns and themes to emerge from MoUs, interviews, commentaries, related articles, and the media are discussed in greater depth in chapters 7, 8 and 9. These chapters address the research questions derived from the literature review (chapter 2). These chapters are substantive chapters in which not only are the hypotheses explored, and the research questions addressed, but also consistency, contradictions, and gaps of understanding between documents and interviews are identified and analysed. In these chapters, comments made by respondents are analysed by interpreting them and linking the data to the research propositions (see chapter 2), and then triangulating the interview data with secondary data. These tentative conclusions provide answers to the research questions, and determine whether or not the proposition stands.

Chapter 7 discusses the nature of academic exchanges between Indonesia and the US and, hence, addresses the first research question: What is the nature of the education relationship between Indonesia and the US?

Chapter 8 discusses the extent to which equality can function in the Indonesia-US education relationship, and the implications of the function of equality on the educational sovereignty of Indonesia. It attempts to address the second research question: Is Indonesia free to endorse any contract it finds attractive or is it coerced into accepting agreements?

Chapter 9 examines the extent to which Indonesia is able to preserve its identity and cultural values, and thus addresses the third research question: Does Indonesia still have the authority to regulate its education?

The conclusions are set out in chapter 10, which demonstrates the emerging importance of the educational relationship between developed states and LDSs. Significant issues arising in this research, the limitation of the research design, and future research avenues are outlined in chapter 10. A critical review of the literature on transnational education and sovereignty in education and propositions derived from the literature are discussed next.

CHAPTER II

TRANSNATIONAL EDUCATION AND EDUCATIONAL SOVEREIGNTY: A FRAMEWORK FOR ANALYSIS

2.1 Introduction

Chapter 1 noted that the thesis seeks to explore these questions by assessing the significance of transnational education and educational sovereignty in the Indonesia-US education relationship. This chapter defines the term transnational education and outlines the concept of educational sovereignty, because these ideas underpin this thesis's focus on the educational exchanges between the US and Indonesia, thereby providing a basis for considering questions about the arguments concerning the potential loss of educational sovereignty within Indonesia. This chapter proposes an analytical framework, which is later used to explore the specific case of the Indonesia-US bilateral relationship in education.

This chapter starts by defining transnational education and outlining the increase in its occurrence before presenting an outline of the concept of educational sovereignty and discussing the link between the two phenomena. It then formulates hypotheses and presents concluding remarks.

2.2 Transnational education

2.2.1 Definitions of transnational education

The Council of Europe's Code of Good Practice in the Provision of Transnational Education defines transnational education as "all types of higher education study programmes or set of courses of study, or educational services ... in which the learners are located in a country different from the

one where the awarding institution is based.”³⁵ The Global Alliance for Transnational Education defines it as “any teaching or learning activity in which the students are in a different country (the host country) to that in which the institution providing the education is based (the home country).”³⁶

The definition of transnational education proposed by the Council of Europe draws attention to the mobility of educational programmes, services, and learners, but fails to refer to such different and extensive modes of education delivery as joint awards and franchising. Transnational education includes education that can be delivered in any of four ways: (a) cross-border supply (b) consumption abroad (c) commercial presence; and, (d) the presence of foreign experts to provide education services.³⁷

Knight refers to the cross-border supply mode (mode 1) as the provision of education services that does not require physical movement of students.³⁸ Consumption abroad mode (mode 2) refers to the provision of education services that involves physical movement of students to the country of the education providers. Commercial presence mode (mode 3) refers to education service providers establishing through education institutions in another country. The presence of Natural Persons (mode 4) refers to educators or

³⁵ UNESCO, *Council of Europe's Code of Good Practice in the Provision of Transnational Education*, 2001.

³⁶ Global Alliance for TNE, “Certification manual,” last modified July 28,2012, <http://www.edugate.org>.

³⁷ Grant McBurnie and Christopher Ziguras, *Transnational Education: Issues and Trends in Offshore Higher Education*. (New York: Routledge, 2007); Jane Knight, “Higher Education Crossing Borders: A Guide to the Implications of the General Agreements on Trade in Services (GATS) for Cross-border Education,” A report prepared for the Commonwealth of Learning and UNESCO, 2006; Grant McBurnie and Christopher Ziguras, “The Regulation of Transnational Higher Education in Southeast Asia: Case Studies of Hong Kong, Malaysia and Australia,” *Higher Education*, 42, (2001): 85-105.

³⁸ Jane Knight, “Higher Education Crossing Borders: Programmes and Providers on the Move,” in *Higher Education in a Global Society*, eds. D.Bruce Johnston, Madeleine D'Ambrosia, and Paul Yakoboski (Massachusetts: Edward Elgar Publishing, 2010). Also see OECD, “Current Commitments under the GATS in Educational Services,” Forum on Trade in Educational Services, Washington DC, 23-24 May 2002.

scholars travelling to another country for the purposes of providing education services.

McBurnie and Ziguras point to the existence of wider forms of education delivery such as franchising, twinning arrangements, branch campuses, and corporate programmes in addition to study abroad and distance education.³⁹ The movement of education services may take the forms of (a) branch campuses (b) mergers, (c) affiliations or networks, (d) independent educational institutions, (e) virtual universities, (f) franchising, (g) programme articulations, (h) double or joint degrees, and (i) twinning.

Branch campuses involve an education provider from state A establishing a campus in state B that offers its own educational programmes, qualifications, or both. The qualification awarded is from the education provider in state A. Branch campuses are also known as offshore campuses. Mergers are situations in which an education provider from state A purchases a part or all of a local post-secondary education provider in state B. This arrangement is also called offshore mobility.⁴⁰

Affiliations or networks are situations in which public education providers enter into partnerships with private education providers, including either foreign or local education providers or both, to establish networks and institutions that deliver courses or educational programmes locally, in foreign states or both, through distance or face-to-face modes. Independent educational institutions involve an education provider from state A establishing a campus in state B to offer its own educational programmes, qualifications, or both. These partnership arrangements are similar to branch

³⁹ McBurnie and Ziguras, (2007); McBurnie and Ziguras (2001). Also see Futao Huang, "Internationalization of Higher Education in the Developing and Emerging Countries: A Focus on Transnational Higher Education in Asia," *Journal of Studies in International Education*, 11, (2007): 421-432; Terra Gargano, "(Re)conceptualizing International Student Mobility: The Potential of Transnational Social Fields," *Journal of Studies in International Education*, 13, (2009):331-346.

⁴⁰ Ibid.

campuses, but are independent institutions due to the absence of a home institution in state A. Virtual universities are institutions that provide students with course material via postal correspondence or the Internet.⁴¹

Massive Open Online Courses (MOOCs) are an important development in transnational education and are an extension of Open Educational Resources (OER) through which universities around the world provide teaching materials freely and openly.⁴² MOOCs were introduced in 2008 by Canadian researchers, Dave Cormier and Bryan Alexander, in response to a course called Connectivism and Connective Knowledge (CCK08).⁴³

MOOCs has forced their way into the range and scope of transnational education. Nathan Harden argues:

In fifty years, if not much sooner, half of the roughly 4,500 colleges and universities now operating in the United States will have ceased to exist. The technology driving this change is already at work, and nothing can stop it. The future looks like this: access to college-level education will be free for everyone; the residential college campus will become largely obsolete; tens of thousands of professors will lose their jobs; the bachelor's degree will become increasingly irrelevant; and ten years from now Harvard will enrol ten million students.⁴⁴

MOOCs have the potential to provide the opportunities for local students through their access to free or low cost courses from foreign university providers, without going overseas. It also provides the opportunity

⁴¹ Ibid.

⁴² Karen Fasimpaur, "Massive and Open MOOCs," last modified June 27, 2014, <http://www.files.eric.ed.gov/fulltext/EJ1015163.pdf>. Also see Muralee Thummarukudy, "Transnational Education: Global Challenges, Local Opportunities," Paper was prepared for International Meet on Transnational Education Organised by the Kerala State Higher Education Council, 3-5 January 2014, last modified June 28, 2014, <http://www.kshec.kerala.gov.in/images/documents>.

⁴³ Ibid.

⁴⁴ Nathan Harden, "The End of University as We Know It," *The American Interests*, December 11, 2012.

for foreign university providers to expand their courses. As Harden notes, the development has the potential to reduce the job opportunities for educators, bring about job losses for professors, and threaten the incomes of education providers that charge fees for their courses. The development of MOOCs demands a profound redefinition of transnational education by including MOOCs in the discussion and analysis of transnational education.⁴⁵

Franchising involves an educational institution in one state authorising another institution from the same or another state to provide its educational programmes. Programme articulations are inter-institutional arrangements through which two or more institutions agree to define jointly a study programme in terms of study credits and credit transfers. Twinning occurs when an education provider in state A collaborates with one in state B to develop an articulated system that allows students to take course credits in one or both of the states. The arrangements for twinning programmes and awarding degrees usually comply with the national regulations of provider A. Double or joint degrees involve collaboration between states to offer programmes for which students receive a qualification from each provider or a joint award from the collaborating partner. These arrangements usually comply with national regulations in both states. Validation occurs when an education provider in state A can award the qualifications of an education institution in state B.⁴⁶As the arrangements for twinning programmes allow students to take course credits in one or both of the states, the definition of cross-border mode is no longer limited to distance and virtual education. The movement of education services under commercial presence mode may take the forms of branch campuses and independent educational institutions. The

⁴⁵ MOOCs is a relatively new concept and virtually unknown when this thesis was conceived. This thesis uses the Indonesia-US education relationship as the case study. MOOCs are a relatively, and rather limited new phenomenon in Indonesia and outside the scope of this thesis.

⁴⁶ Ibid.

modes of education delivery and the movement of education services are summarised in Table 1.

Table 1. Modes of education delivery

Modes of delivery	Definition	Examples
Cross Border Supply (mode 1)	The provision of education services that does not require physical movement of students	Distance education Virtual education Twinning Joint degree Double degree
Consumption Abroad (mode 2)	The provision of education services that involve physical movement of students to the country of the education providers	Full degree Internship Sabbatical
Commercial Presence (mode 3)	Education service providers establish education institutions in another country	Branch campuses, independent educational institutions
Presence of Natural Persons (mode 4)	Educators or scholars travelling to another country for purposes of providing education service	Professors, researchers, and educators working in another country

Adapted from Jane Knight, “Higher Education Crossing Borders: Programmes and Providers on the Move,” in *Higher Education in a Global Society*, eds. D. Bruce Johnston, Madeleine D’Ambrosia, and Paul Yakoboski (Massachusetts: Edward Elgar Publishing, 2010). Also see OECD, “Current Commitments under the GATS in Educational Services,” Forum on Trade in Educational Services, Washington DC, 23-24 May 2002.

Educational services can refer to primary, secondary, higher, or tertiary, and adult education. The World Trade Organization (WTO) states that, “while these categories are based on the traditional structure of the sector, rapid changes taking place in the area of higher education – which normally refers to post-secondary education at sub degree and university degree level – may be significantly affecting the scope and concept of education.”⁴⁷

Even though primary and secondary education are in the category of education services covered by the WTO’s General Agreement on Trade in

⁴⁷ WTO, “Education Services – WTO,” Council for Trade in Services, last modified December 23, 1998, <http://www.wto.org>. Also see WTO, “Education Services – WTO,” (2011), <http://www.wto.org/>.

Services (GATS), in practice, they are outside the scope of the GATS. Sauve, of the Organisation for Economic Co-operation and Development's (OECD) trade directorate asserts: "ask any negotiator in Geneva, and she/he would be prone to regard primary and secondary schooling, so called basic/compulsory education, as lying outside the scope of the GATS."⁴⁸ As international education scholars such as Pereira and Adlung note, basic education is the responsibility of the state.⁴⁹ The public sector, however, is unable to keep up with the growing demand for higher education, thereby creating a lucrative market for the private sector.⁵⁰ This thesis is concerned only with post-secondary education.

Overall, it is clear that transnational education encompasses all types of post-secondary education study programmes, courses of study, and educational services delivered across borders through any of the varied modes described earlier.

2.2.2 The prevalence of transnational education

Transnational education is a long-established phenomenon. International academic mobility can be traced back to about 569-445 BC.⁵¹ The Sophists of early Greece, for example, were professional educators who travelled around the Greek-speaking world teaching children.⁵²

Colonialism was a significant historical factor in establishing transnational education.⁵³ During the colonial period in Indonesia, for example, as a result of the lack of trained engineers, the Dutch opened various

⁴⁸ Pierre Sauve, "Trade, Education and the GATS: What's in, What's out, What's all the Fuss About?" Prepared for the OECD/US Forum on Trade in Services. (Washington, D.C.: 2002).

⁴⁹ Ana Pereira, "The Liberalization of Education under the WTO Services Agreement (GATS): A Threat to Public Education Policy," *Journal of International Economy*, 2005: 1-40; Rudolf Adlung, "Public Services and the GATS," *Journal of International Economic Law*, 2006:1-29.

⁵⁰ Adlung, (2006); Pereira, (2005).

⁵¹ This chapter, however, only briefly discusses the history of transnational education.

⁵² Welsh cited in Kemal Gürüz, *Higher Education Student Mobility in the Global Knowledge Economy* (New York: State University of New York Press, 2008).

⁵³ Religions had long been operating such education programmes during the colonial era.

professional colleges in which Dutch experts had significant roles in training Indonesians.⁵⁴ This mode of education delivery is currently known as mode 4, or the presence of foreign experts to provide education services. Another instance of colonialism being a significant historical factor in establishing transnational education is the phenomenon of students in colonised states completing their studies in Europe and the US.⁵⁵ This mode of education delivery is currently known as mode 2, or consumption abroad.

Development has also been a significant factor in the expansion of transnational education. After the Meiji Restoration, for example, the Japanese needed a large amount of Western technical knowledge. The Japanese government responded by both hiring Western experts and sending Japanese students to the West,⁵⁶ using approaches that are currently known as mode 4, or the presence of foreign experts to provide educational services, and mode 2, or consumption abroad respectively.

Before and immediately after World War II, scholarships for foreign students, study-abroad programmes, international studies, foreign language training, and scientific and cultural agreements between states marked the development of transnational education. The agencies and organisations involved included the Institute of International Education (IIE), established in the aftermath of World War I; the *Deutscher Akademischer Austauschdienst* (DAAD), established in 1925; the British Council, established in 1934; and more recently the European Action Scheme for the Mobility of University

⁵⁴ Justus Van Det Kroef, "Higher Education in Indonesia," *The Journal of Higher Education*, 26, (1955): 366-377.

⁵⁵ Melanie Walker and Pat Thomson, eds, *The Routledge Doctoral Supervisor's Companion: Supporting Effective Research in Education and Social Sciences* (New York: Routledge, 2010).

⁵⁶ Richard Easterlin, "Why Isn't the Whole World Developed?" *The Journal of Economic History*, 41, (1981): 1-19. Also see Masaru Saito, "Introduction of Foreign Technology in the Industrialization Processes: Japanese Experience since the Meiji Restoration," *Journal of Developing Economies*, 13, (1975): 1-19.

Students (ERASMUS), established in 1987,⁵⁷ all of which have promoted international academic mobility and cooperation. The US in particular has played a dominant role in the LDSs since the 1940s, by including educational assistance in its development aid packages as part of its post-war foreign policy.⁵⁸

International academic mobility and cooperation has continued to expand. In the 1950s the Colombo Plan was developed by the founding states: Australia, Canada, India, Sri Lanka, New Zealand, United Kingdom, and Pakistan, to provide educational programmes, such as those in administration, advanced training, and science, that were not yet available within the newly independent states. Strategic, political, and cultural objectives also lay behind the Colombo Plan, as the provision of such aid was grounded in the assumption that the newly independent states would not embrace communism.⁵⁹

The flow of students from newly independent states to developed ones has continued to expand since the 1950s through development aid and cooperation. Foreign assistance programmes that have sponsored students from the LDSs in pursuing their education overseas include the Colombo Plan Awards, the British Council Fellowships, the Fulbright Commission Scholarships, the Commonwealth Scholarship and Fellowship Plan, the Ford

⁵⁷ Kemal Gürüz, *Higher Education Student Mobility in the Global Knowledge Economy* (New York: State University of New York Press, 2008).

⁵⁸ In the late 1940s the US shared among some 30 countries \$50 billion in assistance. It established USAID, an agency that assists other countries' development efforts, in 1961. See USAID, last modified July 30, 2012, http://www.transition.usaid.gov/about_usaid. Also see Robert E Wood, *From Marshall Plan to Debt Crisis: Foreign Assistance and Development Choices in the World Economy* (London: University of California Press, 1986); Andrew Natsios, "Five Debates on International Development: The US Perspective," *Development Policy Review*, 24, (2006):131-139.

⁵⁹ Daphne Keats, *Back in Asia* (Canberra: Research School of Pacific Studies, The Australian National University, 1969). Also see Viswanathan Selvaratnam, "Higher Education and Cooperation and Western Dominance of Knowledge Creation and Flows in Third World Countries," *Higher Education*, 17, (1988): 48.

and Rockefeller Foundations, the Carnegie Corporation Awards, and the British Technical Cooperation Training Programme Awards.⁶⁰

In the late 1960s, however, the developed states began to provide less aid.⁶¹ As the World Bank Commission on International Development's 1969 Pearson Report noted, "The climate surrounding foreign aid programmes is heavy with disillusion and distrust. This is not true everywhere. Indeed there are countries where the opposite is true. Nevertheless, we have reached a point of crisis."⁶²

Although the amount of international aid was in decline, the demand for foreign post-secondary education continued to increase. Since the 1990s educational institutions in Asia have begun to respond to the demand for post-secondary education through its commercialisation.⁶³ A 2005 UNESCO report estimated that two million students around the world were pursuing higher education outside their home countries. This number had increased to 3.45 million in 2009.⁶⁴

These forms of transnational education were an aspect of globalisation, set within the framework of the GATS. Since 1995 the removal of trade barriers in education under the GATS has enabled the expansion of numerous forms of transnational education, thereby generating financial profits for

⁶⁰ Gürüz, (2008).

⁶¹ Cited in Gürüz, (2008). The Pearson Commission on International Development was established in August 1968 by the then World Bank president, Robert McNamara, to investigate the effectiveness of the World Bank development assistance. See the World Bank, "Pages from World Bank History: The Pearson Commission," last modified August 20, 2012, <http://www.web.worldbank.org>

⁶² Cited in *Reforming the United Nations: New Initiatives and Past Efforts*, Volume 1, ed. Joachim Muller (The Hague: Kluwer Law International, 1997): 16.

⁶³ Factors influencing this demand include increased numbers of secondary-school students, low quality local post-secondary education, the desire to increase personal incomes, and the emergence of interest in lifelong learning by mature adult students. See Gu Jian Jing, "Transnational Education: Current Developments and Policy Implications," *Front Education China*, 4, (2009); Huang, (2007).

⁶⁴ UNESCO, *OECD Indicators* (Paris: Organisation for Economic Cooperation and Development, 2005); UNESCO, "Trends in Global Higher Education", last modified July 30, 2012, <http://www.unesdoc.unesco.org>

advanced states.⁶⁵ Education is the US's third largest export service sector, for example, generating more than US\$17.6 billion in export earnings in 2008-2009.⁶⁶

Although the provision of international aid has been in decline while demand for post-secondary educational assistance has simultaneously continued to expand through commercialisation, education is still part of the current development aid packages under such new arrangements as partnerships. Much debate has surrounded the use of the term partnership. As a result of corruption and weak government, donors have emphasised the term as a means of holding such governments accountable.⁶⁷

The studies of Daniel, Crawford, Albatch, and Kelly, for example, have argued that the partnering of LDSs with developed states in itself establishes inequality, as developed states set the terms of such partnerships due to their technological superiority and the LDSs' aid dependency.⁶⁸ In this way, according to Abrahamsen, developed states retain the power to impose their values and solutions on less-developed ones.⁶⁹

Both advanced and less advanced states tend to favour the term *education partnership*, as for LDSs the term implies equality in the

⁶⁵ Making sense of these earnings, however, requires more information in regard to the returns and costs for many different parties, changes over time, and comparison with other earnings, which is beyond the scope of this thesis.

⁶⁶ David Riker and Brandon Turner, "Manufacturing and Services: Economics Brief," *US Department of Commerce*, last modified September 12, 2012, <http://www.trade.gov/mas>.

⁶⁷ James Wolfensohn, "A Partnership for Development and Peace," last modified August 10, 2012, <http://www.worldenergysource.com>; Jennifer Brinkerhoff, "Choosing the Right Partners for the Right Reasons," in *Partnership for International Development: Rhetoric or Results?* (Boulder, Colorado: Lynne Rienner Publishers, 2002): 47-56.

⁶⁸ Gordon Crawford, *Foreign Aid and Political Reform: A Comparative Analysis of Democracy Assistance and Political Conditionality* (Basingstoke: Palgrave, 2001); Phillip and G P Kelly, *Education and Colonialism* (New York: Longman, 1978).

⁶⁹ Crawford, (2001); Rita Abrahamsen, "The Power of Partnerships in Global Governance," *Third World Quarterly*, 25, (2004); Isabel Canto and Janet Hannah, "A Partnership of Equals?: Academic Collaboration between the United Kingdom and Brazil," *Journal of Studies in International Education*, 5, (2001).

relationship,⁷⁰ whereas advanced states favour it for the likelihood of successful negotiations.⁷¹ Much debate, therefore, surrounds the meaning of partnership, but rather than discussing the concept in detail, this thesis acknowledges that demand for post-secondary education continues to expand both because of the commercialisation of education and because of the existence of a new type of relationship in which educational aid or assistance is part of the package.

Overall, it is clear that transnational education has become broader and has extended beyond the mobility of students and educational materials. Transnational education now implies both the commercialisation of education and the presence of a platform for partnership through franchising and twinning arrangements, branch campuses, and corporate programmes.

2.2.3 Transnational education and parties involved

Both state and non-state actors are involved in transnational education. The relationships between state actors involve foreign development agencies and the recipient states. Those relationships between non-state actors involve foreign education providers and recipient education institutions and their roles in transnational education negotiations. Transnational education also involves relationships between non-state and state actors. Such examples include USAID providing grants and technical assistance by partnering with such firms as Exxon Mobil and Conoco Phillips. The actors involved in transnational education are varied, as are their interests.⁷² Non-state actors at the university level, for example, have an interest in the profits that the commercialisation of education generates, whereas state actors have both political and cultural interests.

⁷⁰ Ira William Zartman and Guy Faure, "The Dynamic of Escalation and Negotiation," in *Escalation and Negotiation in International Conflicts*, eds, Ira William Zartman and Guy Faure (New York: Cambridge University Press, 2005); Ira William Zartman, *Negotiation and Conflict Management: Essays on Theory and Practice* (London and New York: Routledge, 2008).

⁷¹ Ibid.

⁷² This thesis discusses the actors involved in transnational education and their interests further in chapter 5.

The parties involved usually sign a memorandum of agreement (MoA) or a memorandum of understanding (MoU), which sets out the mutual benefits and agreements for initiating exchanges of teaching materials and literature, research collaboration, exchanges of scholars, and the conducting of joint workshops.⁷³ An MoU confirms the institutions' willingness to collaborate.⁷⁴ In international public law these memoranda are often confined to the parties involved, do not need ratification, and can be kept confidential.⁷⁵ At the university level both memoranda must be signed and finalised by the chancellor, the associate provost for international affairs, and the rectors.⁷⁶ MoUs depend on each state's constitution, laws, and practices and are, therefore, subject to domestic law. However, international standards do exist for transnational education, for example, the Guidelines for Quality Provision in Cross Border Higher Education established by UNESCO and the OECD in 2005. Although not legally binding, these are crucial for protecting students and other stakeholders involved in transnational education, and many states have adopted them as their guiding principles for transnational educational transactions.

MoAs specify how transnational education programmes operate. Parties frequently prefer MoUs to MoAs because the former lack formalities, are easier to amend, and assure confidentiality.⁷⁷ Both MoAs and MoUs are important for clarifying the responsibilities of the parties involved in education exchanges.

Even though the actors involved in transnational education, and their interests are varied, the basic aspects of their agreements, however, are the

⁷³ Both MoUs and MoAs commonly contain such provisions. For instance, see MoU of Ohio University, last modified June 20, 2012, <http://www.oia.osu.edu/pdf/MoU>.

⁷⁴ Ibid.

⁷⁵ See United Nations, *Treaty Handbook*. (New York: Treaty Section of the Office of Legal Affairs, 2006).

⁷⁶ <http://www.ilint.illinois.edu/partnerships/agreements>.

⁷⁷ Anthony Aust, *Handbook in International Law*, 2nd edition (Cambridge: Cambridge University Press, 2010).

same, in that they are governed by domestic law and often use international standards as guidelines.

2.2.4 Summary

Transnational education encompasses two basic aspects: (a) all of the types of higher education study programmes or courses of study and educational services delivered across borders, and (b) the mode of educational delivery, such as distance education, partner-supported delivery, franchising, joint awards, Internet delivery, and off-shore campuses.

Before World War II and immediately afterwards, transnational education was typically characterised by education aid initiatives for LDSs. In the late 1960s a decline in aid donations by developed states corresponded with increasing demand for transnational post-secondary education, facilitated by the GATS framework for the removal of trade barriers to education. Transnational education has since become broader with the introduction of new delivery models beyond the mobility of students and educational materials. In addition to the commercialisation of education, these models also present a platform for such relationship arrangements as franchising, twinning, branch campuses, and corporate programmes. As the demand for transnational post-secondary education has continued to expand, the actors involved in transnational education and their interests have become more varied. This situation has drawn attention to the implications of transnational education on educational sovereignty.

2.3 Educational sovereignty

This section defines educational sovereignty, based on a literature review, which is used in this thesis. This section also reviews key normative arguments associated with the concept of educational sovereignty within international relations, from contrasting perspectives. These arguments are important to the assessment of the impact of transnational education and whether or not it diminishes educational sovereignty. These arguments have been the subject of considerable debate, particularly in regard to the relationship between developed states and LDSs.

2.3.1 The concept of educational sovereignty

Article 1 of the 1933 Montevideo Convention on the Rights and Duties of States asserts: “The state as a person of international law should possess the following qualifications: (a) a permanent population; (b) a defined territory; (c) government; and (d) capacity to enter into relations with other states.”⁷⁸ This article extols the primacy of states and asserts that states have authority and control over all issues of domestic politics and should, therefore, be free to determine their own fate.⁷⁹ Such authority must be rooted in law.⁸⁰ Sovereignty is, therefore, the final legal authority within a territory. It follows from this statement that states have legal authority over education within their territories.⁸¹

Educational sovereignty is closely linked to state sovereignty for several reasons. First, policy making in education is an essential element of the state’s sovereignty as an important means of integrating society through culture and state ideology. Second, the supreme political power of the state and the supremacy of the state over citizens have been the basis for coining a definition of state sovereignty.⁸² Third, transnational education transactions are formulated through the negotiation of agreements. Fourth, the state, as Morrow and Torres argues, acts as an alliance or ‘a pact of domination’.⁸³ Thus, the notion that the state exercises power when entering international agreements in education is pertinent. Accordingly, this thesis emphasises the

⁷⁸ Signed December 26, 1933. Also see <http://www.molossia.org/montevideo>.

⁷⁹ Bodin developed what is commonly regarded as the first statement of a modern theory of sovereignty. See David Held, “Law of States, Law of Peoples: Three Models of Sovereignty,” *Legal Theory*, 8 (2002). Jean Bodin, *The Six Books of a Commonwealth*, ed and trans Michael Tooley (Oxford: Blackwell, 1967); Francis Harry Hinsley, *Sovereignty*, 2nd edition (Cambridge: Cambridge University Press, 1986).

⁸⁰ See Hart, *Concept of Law* (Oxford: Oxford University Press, 2012):50-60. Hart developed what is regarded as legal authority and positive law.

⁸¹ This statement, however, relies heavily on legal notions of sovereignty. This thesis comprises both state and non-state actors in conceptualising educational sovereignty.

⁸² Jean Bodin, Aristotle, and Hugo Gratius put emphasis on the supremacy of the state.

⁸³ Raymond Morrow and Carlos Torres, “The State, Social Movements, and Educational Reforms,” in *Comparative Education: The Dialectic of the Global and the Local*, eds. Robert Arnove and Carlos Torres (Maryland: Rowman and Littlefield Publishers, 2007), 93.

formal exercise of power by nation states in entering into international agreements. To overcome the emphasis of the formal exercise of power which would result in a somewhat limited concept of educational sovereignty, it is necessary to integrate two complementary theoretical perspectives: the transnational and interdependent theorists, and the critical education theorists. Although the works of most critical education theorists are informed and shaped by postcolonial and dependency theories, of considerable importance to transnational education and educational sovereignty, critical education theorists challenge the existing social and political order. The perspectives of critical education theorists need to be included to understand the interaction and role of social agencies in transnational education, both state and non-state actors. Accordingly, in developing the conceptual framework of educational sovereignty, state actors together with non-state actors are seen as playing an important role in the maintenance or loss of educational sovereignty.

Although no clear and established definition of educational sovereignty exists, concern is growing among such critical education theorists as Moll, Carnoy, Tikly, Huang, Selvaratnam, and Albatch in regard to the loss, or the threat of the loss, of state sovereignty in education.⁸⁴ In response to this concern, Moll argued that sovereignty in education was linked with the protection and maintenance of the cultural values of minority groups.⁸⁵ Moll's definition of educational sovereignty is, however, restricted to the protection and maintenance of such values in education. It is, therefore, necessary to conceptualise the term's meaning before determining whether transnational education is diminishing or otherwise modifying educational sovereignty.

⁸⁴ All three theories - critical education, new imperialism, and dependency theories, - and their intertwined nature, are usually understood in the context of structuralism. This thesis however uses critical theory based perspectives, as they focus on education. The terms critical education theorists and critical educationalists are used interchangeably in this thesis.

⁸⁵ Luis Moll, "The Concept of Educational Sovereignty," *Penn GSE Perspectives on Urban Education*, 1, (2002).

Before doing so, it is necessary to understand the contrasting arguments surrounding the critical education theorists.

2.3.2 Perspectives on educational sovereignty

Critical education theorists, such as Naidoo, Verger, Bonal, and Pennycook, offer a deeper insight for analysis, of the ramifications of the relationship between developed and the less developed, for education of the latter.⁸⁶ For critical education theorists, culture and the capacity to remain in control of it, are the central issues. Critical education theorists such as Kuehn and Fox argue that education is a cultural and social process.⁸⁷ Education has influenced the ways people construct their cultural identity, and how others construct their identity for them.⁸⁸ Cultures provide people with their primary sense of belonging, and exert a powerful influence on education systems.⁸⁹ Globalisation, the driver of transnational education, to some theorists such as Albatch, poses a challenge to the preservation of national cultural autonomy and identity.⁹⁰ To Albatch, the spread of English as a global language threatens local cultures and identities.⁹¹ Thus, the relationships between education, culture, and transnationalism are closely intertwined.

Critical education theorists emphasise the importance of culture and learning for empowerment, and it is expected that culture is central to their

⁸⁶ Alastair Pennycook, *The Cultural Politics of English as an International Language* (Harlow, Essex: Longman Group Limited, 1994); Anthony Verger and Xavier Bonal, "Against GATS: The Sense of a Global Struggle," *Journal for Critical Education Policy Studies*, 4, (2006): 1-27; Rajani Naidoo, "Higher Education as a Global Commodity: The Perils and Promises for Developing Countries," *The Observatory on Borderless Higher Education*, February 2007: 1-19.

⁸⁷ Christina Fox, "The Questions of Identity From A Comparative Education Perspective," in *Comparative Education: The Dialectic of the Global and the Local*, eds. Robert Arnove and Carlos Torres (Maryland: Rowman and Littlefield Publishers, 2007), 134-138.

⁸⁸ Ibid.

⁸⁹ Graham Pike, "Global Education and National Identity: In Pursuit of Meaning," *Theory In Practice*, 39(2000): 64-73.

⁹⁰ Albatch, (2004), 3-25.

⁹¹ Philip Albatch, "Globalisation and the university: Myths and Realities in an Unequal World," *Tertiary Education and Management*, 10(2004):3-25.

arguments. However, cultures are changing constantly in response to all manner of pressures and developments, and at times states are in more control while at other times they are short of control.⁹²

New imperialism theorists such as Tikly, Furedi, and Munck, argue that there is a new attempt to serve the interests of the US and its Western allies through education and the so called development in the LDSs.⁹³ Post-colonial theory is noticeable in the works of these authors. The proponents of dependency theories such as Frank, assess the power relationships between developed and the less developed states by viewing them within social, historical, and economic contexts. The works on dependency and imperialism by theorists such as Frank, Dos Santos, Memmi, Fannon, and Raskin have influenced the works of prominent scholars such as Carnoy, who argues that education is a tool of domination used by developed states, that perpetuates the financial and knowledge dependency of LDSs on developed states.⁹⁴ Whether dependency, new imperialism, or critical education theories, they are in agreement in their assessments of power relationships, which are viewed in social, historical, and economic contexts.

Such analysis offers valuable insights into the role of social agencies that must be considered in any analysis of transnationalism. Of considerable importance to transnational education and sovereignty in education is that the structuralism evident in the dependency, new imperialism, world system, and postcolonialism theories acknowledge the form of domination by the dominant groups or advanced states, which is discussed further below.

⁹² This argument has been one of the underlying points surrounding economic arguments about imperialism.

⁹³ Leon Tikly, "Postcolonialism and Comparative Education," *International Review of Education*, 45 (1999):603-621; Leon Tikly, "Education and the New Imperialism," *Comparative Education*, 40, (2004): 173-198; Ronaldo Munck, "Dependency and Imperialism in Latin America: New Horizons," in *The Political Economy of Imperialism: Critical Appraisals*, ed. Ronald Chilcote (Lanham, Maryland: Rowman and Littlefield Publishers Inc, 2000); Frank Furedi, *The New Ideology of Imperialism* (London: Pluto Press, 1994).

⁹⁴ Martin Carnoy, *Education as Cultural Imperialism* (New York: David McKay, 1975).

Although the above school of thought informs the work of critical education theorists, critical education theorists such as Moll, Fox, Huang, Albatch, Selvaratnam, Stromquist, Torres and Burbules offer critical perspectives that adapt, challenge, or even reject existing social and political orders. Moll, for instance, challenges the arbitrary authority of power structures, in determining the essence of the educational experience. This need is referred to by Moll as educational sovereignty.⁹⁵

The limits of state sovereignty and autonomy are acknowledged by critical education theorists such as Torres and Morrow. To Torres, those limits are manifested in tensions between global and local dynamics in social, economic, cultural, and political domains,⁹⁶ meaning that the nation state has lost its ability to cope with its own economic and political tensions. What is important in Torres's analysis is that he has captured the essence of critical education theories, in which global and local dynamics exist both between state actors and non-state actors.⁹⁷

At a broad level, critical theorists themselves share some common concerns with regard to educational sovereignty. They share a concern for the inequality of power between states and within society, and are concerned with the subjugation of knowledge through the unequal relationship between developed states and LDSs, thus the importance of challenging the existing power structure is imperative. This study does not seek to undermine the views of critical education theorists on educational sovereignty, nor the complexity of the relationship between developed states and LDSs. Instead, it notes three key factors in assessing the exercise of educational sovereignty:

⁹⁵ Luis Moll, (2002).

⁹⁶ Carlos Alberto Torres, "Globalization, Education, and Citizenship: Solidarity Versus Markets?," *American Educational Research Journal*, 39 (2002): 363-378.

⁹⁷ Dynamic interactions in transnational education occur not only between state actors but also non-state actors affecting people in a myriad of ways, particularly in economics and culture. See Nelly Stromquist and Karen Monkman (eds), "Defining Globalization and Assessing its Implications for Knowledge and Education, Revisited," in *Globalization and Education* (Maryland: Rowman and Littlefield Education, 2014):1-19.

dependency (foreign knowledge and financial assistance dependencies); the inequality of academic relationships between developed states and LDSs; and culture and the capacity to remain in control of it.⁹⁸ Within this framework, it is possible to comprehend the relationship between transnational education and educational sovereignty and their interactions. These factors interact while state and non-state actors remain in control of knowledge and culture as they deal with transnational education.

Central to the theoretical endeavour of critical education theorists are critical views that challenge the present circumstances of education, and the analysis of the complex relationship between developed states and LDSs, and between transnational education and educational sovereignty. Theory and action, as Robert Cox puts it are nevertheless, both complex and thus the task of theorising can never be finished but must continually be begun anew.⁹⁹ Thus, the framework developed in this thesis is used to open up further analytical research possibilities, such as research on foreign aid in education, and international educational partnerships.

2.3.2.1 Transnational education and homogenisation processes

Critical education theorists who see education as a social and cultural process also see foreign-controlled education as presenting a risk to a recipient nation's cultural identity. Westernisation and Americanisation, Gargano argues, highlight the homogenising effects of global flows and processes on states' cultures because, as Albatch argues, transnational education is "dominated by the North in terms of curriculum, orientation and sometimes the teaching staff ... frequently the language of instruction is the language of the dominant

⁹⁸ Carlos Alberto Torres, (2002): 363-378; Leon Tikly, (1999):603-621; Leon Tikly, (2004): 173-198; Ronaldo Munck, (2000); Frank Furedi, (1994); Martin Carnoy, (1975).

⁹⁹ Robert Cox, "Social Forces, States, and World Orders: Beyond International Relations Theory," *Millenium: Journal of International Studies*, 10(1981):135.

partner, very often English.”¹⁰⁰ Huang points to a perception of transnational education as being one way to export Western ideas and cultures and thereby maintain colonial legacies.¹⁰¹ According to Albatch and Selvaratnam, the importance of language for inculcating the values of the former colonial powers expresses a clear colonialist impact.¹⁰² Huang, Albatch, and Selvaratnam argue that domination by developed states through the language of instruction, the presence of expatriates among academic staff, and the dependence of the LDSs on institutions located in the developed states is necessary for maintaining colonial links.¹⁰³ This line of thinking means that to Westernise and Americanise an education system, it is necessary to use the English language, ensure the presence of foreign experts, and maintain the dependence of the LDSs on institutions located in the developed states.

Globalisation discourses clarify the link between foreign education and homogenisation. Tomlinson uses homogenisation and Westernisation synonymously.¹⁰⁴ Waters refers to globalisation as, “the direct consequence of the expansion of European cultures across the world via settlement, colonisation and cultural mimesis”.¹⁰⁵ Similarly, Zajda argues that globalisation displays the domination of cultures and is particularly unfavourable to weak cultures or societies.¹⁰⁶ Drawing on Tomlinson, Waters, and Zajda, homogenisation occurs as a result of the global extension of Western cultures. The freer movement of students, educational institutions, and educational resources across borders signifies the engagement of education

¹⁰⁰ Gargano, (2009); Phillip Albatch, “Higher Education Crosses Borders,” *Change*, 36, (2004): 5.

¹⁰¹ Huang, (2007), 421-432.

¹⁰² Albatch and Selvaratnam, (1989).

¹⁰³ Phillip Albatch, “The University as Centre and Periphery,” *Teachers College Record*, 4, (1981): 601-621; Albatch and Selvaratnam, (1989); Huang, (2007).

¹⁰⁴ John Tomlinson, “Cultural Globalisation: Placing and Displacing the West,” *European Journal of Development Research*, 8(1996):22-35.

¹⁰⁵ Malcolm Waters, *Globalisation* (New York: Routledge, 1995): 3.

¹⁰⁶ Joseph Zajda, “Globalising Education: Designing a Renewed Agenda for Teacher Education,” *Education and Society*, 16, (1998): 90.

within the process of globalisation. Critical education theorists such as Nguyen, Elliot, Terlouw, and Pilot argue that Western education has ways to influence both the cultures and educational systems of non-Western states through the one way transfer of knowledge.¹⁰⁷ Huang, Albatch, Nguyen, Elliot, Terloaw, and Pilot see the conforming of educational systems in Asia to foreign academic patterns as one way of exporting Western ideas and cultural values. These authors argue that higher-education systems adopted in Asian states have conformed to foreign academic patterns.¹⁰⁸

The struggle against Western domination has often involved the rejection of Western educational patterns. Critical education theorists often regard educational institutions as the sites of cultural struggles for the periphery. Tikly, for example, argues that in many previously colonised states the governments are still struggling to develop educational curricula suited to their cultures and histories.¹⁰⁹ Pennycook recommends attempting initiatives to develop educational curricula, arguing that previously colonised states need to express their own cultural values through education.¹¹⁰

Critical education theorists are concerned that the GATS facilitates the process of the homogenisation of education and, therefore, creates the potential for the loss of local cultures. Siqueria, Verger, and Bonal argue that GATS regulations addressing Most Favoured Nations and National Treatment forbid differential treatment for national and foreign education providers without regard to whether the foreign education providers develop courses

¹⁰⁷ Phuong-Mai Nguyen, Julian Elliot, Cees Terloaw, and Albert Pilot, "Neo-colonialism in Education: Cooperative Learning in an Asian context," *Comparative Education*, 45, (2009): 109-130.

¹⁰⁸ Huang, (2007): 421-432; Albatch and Selvaratnam, (1989); Phuong-Mai Nguyen, Julian Elliot, Cees Terloaw, and Albert Pilot, (2009).

¹⁰⁹ Tikly, (2004), 173-198.

¹¹⁰ Pennycook, (1994).

that include the local language and cultural values.¹¹¹ It is important to note, however, that some writers, such as Pierre Bourdieu and Anthony Giddens, emphasise hybridisation instead of homogenisation.

2.3.2.2 Transnational education and the new imperialism

Carnoy argues that the exercise of advanced states and international institutions of imposing conditions on another state can be seen as a form of indirect control.¹¹² The core of contemporary discussions addressing imperialism is that indirect control reinforces what is called the *new imperialism*.¹¹³ For their part, Tikly and Carnoy view the new imperialism as the continuation of the past Western imperialism and characterise it as being composed of knowledge dependency, financial dependency, cultural dependency, and cultural imperialism.¹¹⁴ Tikly refers to the role of international education as the part of the new imperialism that integrates low-income states into the world economic system, thereby functioning to serve the interests of the US and its Western allies.¹¹⁵ The analysis of a new imperialism is taken further by Samoff who argues that through the global flow of Western ideas, education has been dominated by a set of imperial assumptions concerning human capital and development.¹¹⁶

¹¹¹ Angela Siqueira, "The Regulation of Education Through the WTO/GATS," *Journal for Critical Education Policy Studies*, 3,(2005): 1-16; Verger and Bonal, "Against GATS: The Sense of a Global Struggle," *Journal for Critical Education Policy Studies*, 1-27.

¹¹² Martin Carnoy and Diana Rhoten, "What Does Globalization Mean for Educational Change?: A Comparative Approach," *Comparative Education Review*, 46, (2002): 1-10; Carnoy, *Education as Cultural Imperialism*. Also see Philip Albatch, "Higher Education Crosses Borders: Can the United States Remain the Top Destination for Foreign Students?," *Change*, 36, (2004): 18-25; Albatch and Nathan, (1989); Tikly, (2004).

¹¹³ Imperialism is the policy of extending a country's power and influence through colonialism, the use of military force, or other means. Colonialism is the policy or practice of acquiring full or partial political control over another country, occupying it with settlers, and exploiting it economically. See Oxford dictionary, <http://www.oxforddictionaries.com>.

¹¹⁴ Tikly, (1996); Carnoy and Rhoten, (2002); Carnoy, (1975).

¹¹⁵ Tikly, (2004).

¹¹⁶ Joel Samoff, "International Influence," in *Comparative Education: The Dialectic of the Global and Local*, eds Robert Arnove and Carlos Torres (Lanham, Maryland: Rowman and Littlefield Publisher, 1999).

The new imperialism has consisted of two waves, the first of which has been related to the commercialisation of education. Advanced states are exporters of post-secondary education, and the GATS facilitates market access to post-secondary education, as it involves an agreement to open up education markets to more powerful education providers. Collins and Santos argue that the opening of education markets has created opportunities for developed states to achieve economic gains.¹¹⁷ Said refers to these opportunities as a scheme of the new imperialists, in which, “the powerful are likely to get more powerful and richer, the weak less powerful and poorer.”¹¹⁸ This analysis considers the GATS to be a threat to sovereignty in education because it ensures that the market, rather than the state, is what responds to the increasing demand for education.¹¹⁹

Critical education theorists consider foreign experts, as well as foreign education institutions, to be important for enforcing the new imperialism,¹²⁰ as they increase the LDSs’ dependence on foreign knowledge, technology transfer, and scientific application. In this view, transnational education has the potential to create knowledge dependency, which then significantly facilitates cultural imperialism.¹²¹

The second wave of the new imperialism is related to foreign aid for education. Carnoy, Brock-Utne, and Frank argue that the historical process still remains active because LDSs have had their economies conditioned by the

¹¹⁷ Christopher Collins, “A General Agreement on Higher Education: GATS, Globalization, and Imperialism,” *Research in Comparative and International Education*, 2, (2007): 1-14; Boaventura de Sousa Santos, “The University in the 21st Century: Toward a Democratic and Emancipatory University Reform,” in *The University, States, and Market: The Political Economy of Globalization in the Americas*, eds Robert Rhoads and Carlos Torres (Stanford, CA: Stanford University Press, 2006).

¹¹⁸ Edward Said, *Culture and Imperialism* (New York: Vintage Books, 1993): 284.

¹¹⁹ Siqueira, (2005); Verger and Bonal, (2006).

¹²⁰ Albatch and Selvaratnam, (1989); Tikly, (2004).

¹²¹ Ronaldo Munck, “Dependency and Imperialism in Latin America: New Horizons,” in *The Political Economy of Imperialism: Critical Appraisals*, ed. Ronald Chilcote (Lanham, Maryland: Rowman and Littlefield Publishers Inc, 2000); Albatch and Selvaratnam, (1989); Carnoy, (1975); Said, (1993).

development and expansion of advanced states' economies. These theorists express concerns about foreign aid in education.¹²²To these authors, financial assistance from developed states leads to financial dependency, which financial assistance puts the LDSs in a position in which they are vulnerable to exploitation.

Brock-Utne and Carnoy adopt a post-colonial approach by arguing that having relationships with the LDSs helps advanced states to grow richer. Carnoy and Brock-Utne conclude that providing educational aid is a way for advanced states to exploit less-developed ones, their funding of educational institutions serving their own needs.¹²³The crux of these arguments is that advanced states dominate the recipient states' educational institutions and economic, political, and social structures in order to meet their own power needs and to impose conditions on the LDSs' policy frameworks for their own benefit.¹²⁴ On this account transnational education is considered to be a threat to educational sovereignty, as it reinforces the new imperialism through which advanced states are likely to become more powerful and the less-developed ones weaker.

2.3.3 Alternative perspectives on education sovereignty

Transnational and interdependence theorists take a rather different view and do not emphasise the role of agency in international affairs. As such, the state is considered to exercise power, but it does not facilitate the exercise of power by agents. Further, they argue that co-operation between developed

¹²² Carnoy, (1974); Andre Gunder Frank, "The Development of Underdevelopment," *The Political Economy of Development and Underdevelopment*, 3rd edition (New York: Random House, 1984); Brigit Brock Utne, *Education for All: The Recolonialization of the African Mind* (New York: Falmer Press, 2000).

¹²³ Carnoy, (1975).

¹²⁴ Tikly, (1996); Martin Carnoy and Diana Rhoten, "What Does Globalization Mean for Educational Change?: A Comparative Approach," *Comparative Education Review*, 46, (2002): 1-10; Carnoy, (1975); Albatch, (2004); Albatch and Nathan, (1989); Tikly, (2004); Frank, (1984).

and the less developed states is likely to be beneficial not only for the former but also for the latter.

2.3.3.1 Transnational education and hybridisation processes

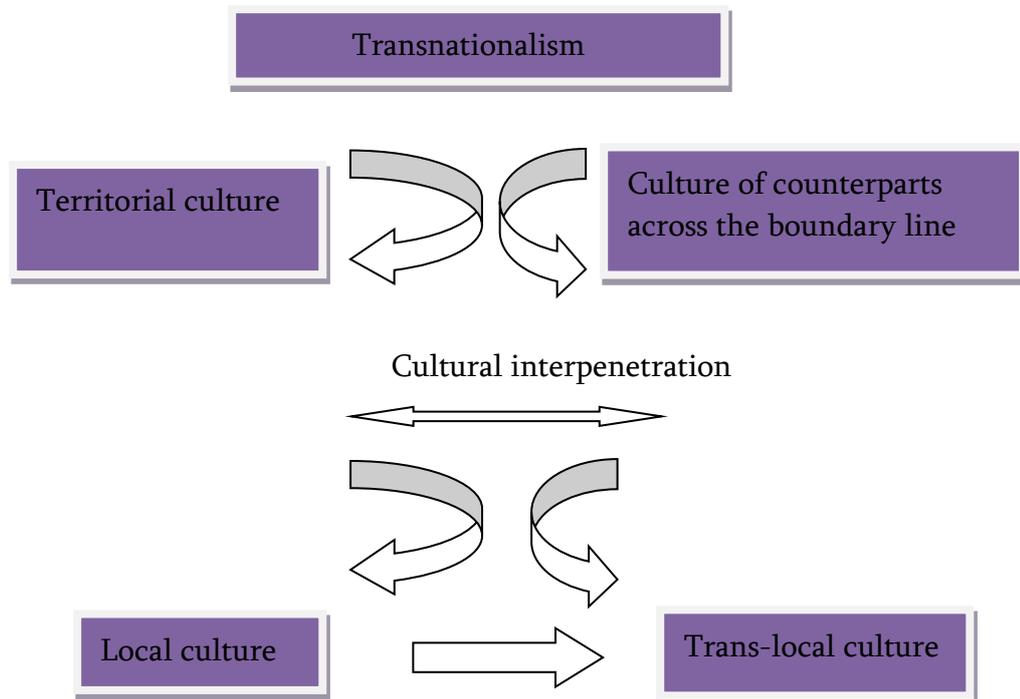
Although critical education theorists dismiss the internationalisation of curricula as the Americanisation of knowledge and values, transnationalism and interdependence theorists laud it as enabling the development of new skills, attitudes, and knowledge among students. For the former, the entrenchment of the maintenance of a native identity and cultural sensitivity has resonated as a critical feature of transnational education.¹²⁵

As with the homogenisation of education, hybridisation is a pertinent term for discussions addressing the export and adoption of Western ideas. As a process, hybridisation refers to, “the ways in which forms become separated from existing practices and recombine with new forms in new practices”.¹²⁶ Figure 1 illustrates this process.

¹²⁵ An emerging argument amongst international education scholars emphasises the neutrality of transnational education and argues that ideally students should be able to look at the evidence and make informed decisions. See John Daniel, “Building Capacity in Open and Distance Learning,” *Presentation at OECD/UNESCO Australia Forum on Trade in Education Services*, October 12, Sydney.

¹²⁶ William Rowe and Vivian Schelling, *Memory and Modernity: Popular Culture in Latin America* (London: Verso, 1991): 231.

Figure 1. The process of hybridisation



Adapted from Jan Nederveen Pieterse, “Globalisation as hybridisation,” *International Sociology*, 9 (1994): 161-184.

Such transnational and interdependence theorists have characterised the processes of hybridisation as a way to learn from each other. Between states, such learning from each other is possible due to what Pieterse calls “cultural interpenetration”.¹²⁷ As a corollary of the penetration of the cultures of two states into each other’s cultures, culture becomes trans-local rather than territorial.¹²⁸ Pieterse depicts trans-local culture as a culture based on, “an outward looking sense of place [or a] global sense of place”. Unlike the process of homogenisation, in which resemblance is completely absent, by making the dominant cultural traits the new practice and new set of values, in the process of hybridisation, local cultures survive.¹²⁹

¹²⁷ Jan Nederveen Pieterse, *Globalization and Culture: Global Melange* (Lanham, Maryland: Rowman and Littlefield Publisher, 2009).

¹²⁸ Ibid, 65-83.

¹²⁹ Ibid, 65-83.

Transnational education is one of the driving forces behind hybridisation. Its transactions are characterised by the processes involved in sharing values, customs, and traditions through education as well as by the forms of educational delivery, resulting in hybridisation, or the combination of foreign and local cultural values in regard to education. Educational hybridisation is not inevitable. It entails attempts to adopt new practices and learning experiences as well as attempts to choose a set of values in regard to what is culturally relevant for inclusion in the curriculum, thereby combining the existing educational curriculum with new practices and learning experiences. The hybridisation of education also refers to the combination of different educational methods. Shale and Cookson regard the adoption of new ways of delivering education, such as distance education, as examples of educational hybridisation.¹³⁰ Such writers as Thompson and Knight, Rizvi, Schwindt, and Hayden consider learning from each other to have the potential to promote international understanding.¹³¹ As Knight noted, “scholarships for foreign students who are seen as promising future leaders are considered to be an effective way of developing an understanding of and perhaps affinity for the sponsoring country. This affinity may prove to be beneficial in future years in terms of diplomatic or business relations”.¹³²

¹³⁰ See Douglas Shale, “The Hybridisation of Higher Education in Canada’, *The International Review of Research in Open Distance Learning*, 2002: 1-5; Peter Cookson, “The Hybridisation of Higher Education in Canada: Cross National Perspectives,” *The International Review of Research in Open Distance Learning*, 2002 : 1-2.

¹³¹ Jane Knight, “Internationalization of Higher Education: A Conceptual Framework,” in *Internationalization of Higher Education in Asia Pacific Countries*, eds Jane Knight and Hans De Wit (Amsterdam: European Association for International Education, 1997). Fazal Rizvi, “International Education and the Production of Globalization Imagination,” in *Globalization and Education: Critical Perspectives*, eds NC Burbles and CA Torres (London: Routledge, 2000); Erika Schwindt, “The Development of a Model for International Education with Specific Reference to the Role of Host Country Nationals,” *Journals of Research in International Education*, 2, (2003): 67-81; Jeff Thompson and Mary Hayden, “International Schools and International Education: A Relationship Reviewed,” *Oxford Review of Education*, 21, (1995): 327-45; JJ Hayden Thompson and MC Williams, “The Crossing Frontiers,” *International Schools Journal*, 15, (1995): 13-20.

¹³² Knight, (1997), 9.

These scholars clearly consider that transnational education results in hybridisation rather than homogenisation, visualising the former as a process of learning from each other in order to promote international understanding, a process that transnational education facilitates. In this context, the hybridisation of education refers to the process and function of combining foreign and local cultural values in regard to education in order to promote international understanding. As a form it refers to the combination of educational methods.

2.3.3.2 Transnational education and the development of less-developed states

For Anwar, education is necessary for development, by enabling people to use educational attainment, improve their economic status, thereby helping to address the problems of poverty and illiteracy, because low education attainment has trapped millions in Asia in a vicious cycle of misery and despair.¹³³ Anwar argues that the main hindrance to fulfilling the educational needs of many millions is state incapacity.¹³⁴ Bauer argues that it is impossible to overcome poverty without foreign financial assistance.¹³⁵

Tilak's study on knowledge-based aid marked the importance of foreign financial assistance in education.¹³⁶ According to Tilak, development is related to knowledge: knowledge of one's own history of socio-political, cultural and economic development policies, and current situation. Higher education is an important aspect of the knowledge society in creating and rediscovering knowledge. According to Tilak, ensuring the higher education system is of high quality is necessary for the effective creation and application of

¹³³ Dewi Fortuna Anwar, "Human Security: An Intractable Problem in Asia," *Asian security order: Instrumental and Normative Features*, ed. Muthiah Alagappa (California: Stanford University Press, 2003).

¹³⁴ Ibid.

¹³⁵ Peter Bauer, "Dissent on Development," *Scottish Journal of Political Economy*, 16(1969):75-94.

¹³⁶ Jandhyala Tilak, "Knowledge society, education and aid," *Compare*, 32(2002):298-308.

knowledge. In this context, foreign financial assistance in education plays an indirect, yet important, role in knowledge development of LDSs. For Tilak, in order for knowledge-based aid to be effective, both donor and recipient states have to work together. The donor state should learn about the recipient state, and the necessity of knowledge sharing should be taken into consideration. In this context, the donor is also able to learn whether or not the aid is effective. For the recipient, Tilak argues that the recipients “should make serious efforts at developing and strengthening their own research”.¹³⁷

Unlike Tilak, who is optimistic about the potency of foreign financial assistance on LDSs’ development, Bauer is pessimistic regarding the benefits of foreign financial assistance. For Bauer, foreign financial assistance is an ineffective instrument for development because of the attitudes and conduct of the people of the recipient state whose interpretations of economic advance differ from the donor’s.¹³⁸ Nevertheless, Bauer argues that without foreign financial assistance, it is impossible for poorer states to develop.

The recent work by Knight and Naidoo on transnational education provides an example of the benefits of foreign assistance for what they call “capacity building” as it has the potential to improve the development of LDSs with inadequate financial resources and physical and human infrastructure. King provides a salutary example of the role of development assistance in India, provided by the UK, the US, Russia, and Germany in the post war period, which had an impact on the establishment of strong science and technology based development.¹³⁹ Naidoo argues however, that the priority given to trade in higher education may erode the political will to offer aid to LDSs.¹⁴⁰

¹³⁷ Tilak, (2002), 308.

¹³⁸ Bauer, (1969).

¹³⁹ David King, “The Scientific Impact of Nations: What Different Countries Get for Their Research Spending, *Nature*, 430(2004):311-316.

¹⁴⁰ Rajani Naidoo, “Higher education as a global commodity: The perils and promises for developing countries,” *The Observatory on Borderless Higher Education*, (London: OBHE, 2001):1-19.

2.3.4 Educational sovereignty revisited

The critical education theorists consider transnational education to have resulted in dependence, cultural domination, and control by advanced states. The crux of their argument is that donor states dominate curricula, experts, and the choice of language of instruction, thereby making the recipient states' educational systems conform to foreign academic patterns. To some, GATS rules are threats to the LDSs' educational sovereignty by facilitating educational homogenisation, with the important corollary of the loss of local cultures. In this context, educational sovereignty is related to the ability of states to maintain cultural values through transnational education.

To some critical education theorists, transnational education is perceived as threatening the loss of educational sovereignty due to being part of the new imperialism, in which the market, rather than the state, responds to the increasing demand for education, thereby enabling advanced states to become richer and more powerful at the expense of less-developed ones. From this approach, foreign educational assistance is likely to be the subject of criticism because of its perceived potential for control over the imposition of conditions favourable to the donors over the recipient's policy framework. In this context, educational sovereignty is related to the ability of states to regulate the flow of educational activities across their borders and to respond to the increasing demand for education without the imposition of foreign control, and the ability to choose foreign involvement in education. As transnational education is delivered through such varied modes as distance education and off-shore campuses, educational sovereignty is also related to the ability of states to regulate the flow of educational materials, students, educators, and practitioners across their borders.

Educational sovereignty also means the ability of states to maintain local cultural values through education, to regulate the flow of educational institutions, materials, students, and practitioners across their borders, and to

respond to the increasing demand for education without onerous impositions by foreign powers. Those taking a contrasting stance to critical education theorists tend to conclude that transnational education does not result in homogenisation, because the process of hybridisation preserves local cultural traits despite the presence of dominant Western ones, and that this process of cultural preservation protects educational sovereignty. The hybridisation process is seen as the means whereby transnational education offers the potential to promote international understanding.

Further, such a contrasting stance tends to view transnational education as having the potential to improve the development of states with inadequate financial resources and physical and human infrastructure. This perspective sees educational sovereignty as attainable because, although a state may seek foreign involvement in education through financial aid, it retains the ability to accept or to reject such involvement. Educational sovereignty does not, furthermore, mean the isolation of a state from other states.

There are contrasting perspectives on the cultural influences of transnational education, with the critical education theorists highlighting the important dimension of sovereignty, which is the primacy of the people, whereas the contrasting arguments highlight another important dimension of sovereignty, which is the primacy of the state. Both, however, enrich the overall understanding of educational sovereignty. The approaches of the critical education theorists are based on considerations of dependency and post-colonial theories.¹⁴¹ Although their case studies are dissimilar, the two types of theories have similar views on the importance of sovereignty in education. They have enriched the understanding of the relationship between

¹⁴¹ Dependency theory attempts to explain situations in which advanced states exercise control through education and the growing international economy to maintain the dependence of such LDCs as former colonies, colonies, and other third world countries upon themselves in general and former colonisers in particular. Dependency theorists include Andre Gunder Frank, Dos Santos, and Samir Amin. This thesis refers to the contemporary manifestation of Western capitalist colonialism as post-colonialism.

LDSs and advanced states, the normative value of educational sovereignty, and its capacity to protect a state from control by other states. The next section discusses both perspectives further and identifies the links between transnational education and educational sovereignty.

2.4 The links between transnational education and educational sovereignty

This section compares and discusses the contrasting perspectives presented by the critical education theorists and a number of other scholars on transnational education and educational sovereignty and then identifies the importance of educational sovereignty, the potential for diminished educational sovereignty, and the resilience of educational sovereignty. It then presents educational sovereignty's key features.

2.4.1 Homogenisation and hybridisation of education and culture

As noted earlier, the term Americanisation and homogenisation have been used synonymously by several authors with reference to transnational education, such as Rizvi and Lingard. Likewise, the terms Westernisation and homogenisation have been used interchangeably. As this thesis uses the Indonesia-US education relationship as a case study, the terms Americanisation and homogenisation are used interchangeably within the thesis.¹⁴² Spilimbergo refers to the term Westernisation as the transfer of cultural influences generated through cultural contact with the West.¹⁴³ In this context, the term Americanisation can also be referred to the transfer of influences, such as cultural values in support of liberal democracy, generated

¹⁴² John Tomlinson, "Cultural Globalisation: Placing and Displacing the West," *European Journal of Development Research*, 8(1996):22-35.

¹⁴³ Antonio Spilimbergo, "Democracy and Foreign Education", *The American Economic Review*, 99, (2009). Also see Joseph Heath, "Liberalization, Modernization, Westernization," *Philosophy and Social Criticism*, 30, (2004): 665.

through cultural contact with America.¹⁴⁴ Several authors, such as Nye and Huntington, have associated American cultural values and identity with US foreign policy.¹⁴⁵ Nye argues that American values in support of liberal democracy and human rights can be promoted and transferred through higher education.¹⁴⁶ Conversi defines homogenisation as a purposeful process of change, such as change in the less dominant culture to mirror the culture of the dominant culture, in order to achieve uniformity.¹⁴⁷ By drawing on Spilimbergo's and Conversi's definitions, and on Nye's argument, homogenisation is both the transfer of American values as a result of contact with Americans, and a purposeful process of change to reflect American values.

Like homogenisation, hybridisation is a process in which new cultural forms and practices occur as a result of the combination of existing and new practices.¹⁴⁸ Unlike homogenisation, hybridisation, Pieterse argues, is "the making of global culture as a global melange".¹⁴⁹ In this context, hybridisation is also a purposeful attempt to adapt the culture of the dominant, meaning that LDSs have the ability to receive, adapt, modify, or reject the culture of the developed states.

As noted earlier, for those who conclude that transnational education encourages learning about other states, thereby promoting international understanding, the result is hybridisation rather than homogenisation. The

¹⁴⁴ Some authors such as Rizvi and Lingard have used the term Americanisation synonymously with homogenisation. Bob Lingard and Fazal Rizvi, "Globalisation and The fear of Homogenisation in Education," *Change: Transformation in Education*, 1(1998): 62-71.

¹⁴⁵ Samuel Huntington, "American Ideals versus American Institutions," *Political Science Quarterly*, 97(1982):1-37. Joseph Nye, "The Decline of America's Soft Power: Why Washington Should Worry," *Foreign Affairs*, 83(2004):16-20; Joseph Nye, "Soft Power and Higher Education," The Internet and University Forum, last modified September 8, 2013, <http://www.net.educause.Edu.ir/library>.

¹⁴⁶ Nye, (2013).

¹⁴⁷ Daniele Conversi, "Homogenisation, Nationalism and War: Should we Still Read Ernest Gellner?," *Nations and Nationalism*, 13, (2007): 371-394.

¹⁴⁸ Rowe and Schelling, *Memory and Modernity: Popular Culture in Latin America*.

¹⁴⁹ Jan Nederveen Pieterse, "Globalisation as hybridisation," *International Sociology*, 9(1994):175.

critical education theorists, in contrast, tend to emphasise the advanced states' prestige and power due to their domination of the curriculum.¹⁵⁰

The homogenisation of education is, however, more than just Americanisation or Westernisation, because, although some have linked transnational education to the expansion of European and American cultures, this link does not imply that the entire globe has or must become Westernised or Americanised.¹⁵¹ Educational exchanges have consequences, including cultural influence. Lingard and Rizvi argue that although the argument suggests all spheres of social life “must establish their position in relation to the capitalist West”, this assertion does not mean that the entire globe has become Westernised.¹⁵² Indeed, educational sovereignty continues to be associated with homogenisation as advanced states maintain their relationships with less-developed ones.

The critical education theorists see transnational education as a threat to sovereignty and, consequently, the loss of local cultures.¹⁵³ Tikly argues that in many parts of the previously colonised world governments are still working on developing curricula that suit their cultures and histories,¹⁵⁴ noting that, “The cultural element looks at the emergence of the borderless world where national cultures are transformed by global communications and cultural hybridisation”.¹⁵⁵ He goes on to assert that, “the subsequent interpretation and

¹⁵⁰ Nicholas Burbules and Carlos Torres, *Globalization and Education: Critical Perspectives* (New York: Routledge, 2000); Carlos Torres, “Globalization, Education, and Citizenship: Solidarity versus Markets?,” *American Educational Research Journal*, 39, (2002): 363-378; Gargano, (2009); Albatch, (2004). Albatch and Selvaratnam, (1989); Tikly, (1999); Carnoy and Rhoten, (2002); Carnoy, (1975).

¹⁵¹ Burbules and Torres, (2000); Torres, (2002); Gargano, (2009); Albatch, (2004). Also see Bob Lingard and Fazal Rizvi, “Globalisation and the Fear of Homogenisation in Education,” *Change: Transformation in Education*, 1 (1998): 62-71.

¹⁵² Lingard and Rizvi, (1998). Also see Waters, (1995).

¹⁵³ Hastings Donnans and Thomas Wilson, *Borders: Frontiers of Identity, Nation, and State* (Oxford and New York: Berg, 1999).

¹⁵⁴ Tikly, (1996).

¹⁵⁵ Tikly, (1996): 616; Bray, “Education and the Vestiges of Colonialism: Self-determination, Neo-colonialism and Dependency in the South Pacific,” *Comparative Education*, 29, (1993): 333-348.

hybridisation of cultural forms (processes in which education systems have been so deeply implicated) have made it increasingly difficult to define what a more culturally 'relevant' curriculum might entail".¹⁵⁶ As such, cultural hybridisation both accentuates the previously colonised world's struggle to reconstruct its educational curricula and diminishes its ability to develop curricula that suit its cultures and histories. Robertson, Bonal, and Dale, among others, use the term *cultural imperialism* to explain cultural hybridisation,¹⁵⁷ which they perceive to be a form of cultural imposition, asserting that, "language and national identity are vulnerable social functions in a global marketplace dominated by multinational educational corporations."¹⁵⁸

Whether educational relationships between advanced and less-advanced states have the potential to homogenise education, however, needs further examination. Transnational education has long existed across civilisations, cultures and religions, and educational exchanges result in a range of consequences, including cultural influence. Cultures may be conceptualised as "products of past human behaviour and as shapers of future human behaviour".¹⁵⁹ As such, humans are producers and consumers of culture, and culture influences human behaviour. People have control over their culture, furthermore, and can choose to combine aspects of foreign cultures with their local ones. Transnational education is far broader than a Western or American model of education and has a long tradition, with religious institutions frequently providing education at the tertiary level. It did not take long for many other political and non-political organisations to embark on their own educational provision.

¹⁵⁶ Tikly, (1996): 613.

¹⁵⁷ Susan Robertson, Xavier Bona, and Roger Dale, "GATS and the Education Service Industry: The Politics of Scale and Global Territorialization," *Comparative Education Review*, 46, (2002): 472-495.

¹⁵⁸ Ibid, 494.

¹⁵⁹ Marshall Segall, PR Dasen, John Berry, and Ype Poortinga, *Human Behaviour in Global Perspective: An Introduction to Cross-cultural Psychology* (2nd ed.) (Boston, MA: Allyn and Bacon, 1999): 23.

2.4.2 Development and the new imperialism

Scholars such as Crawford and Abrahamsen argue that placing LDSs in the role of primary actors in their development and education is a strategy for strengthening donors' effective influence in making important development choices as well as one for countering critics of their activities both at home and abroad.¹⁶⁰ Abrahamsen explained that:

the discourse of partnership places developing countries in the driver's seat, assigning them prime responsibility for their own development strategies. This reconfiguration of the subject of government confers obligations and duties, at the same time as it opens up new possibilities for decision and action. To a significant extent, development aid as a principle of international solidarity gives way to an obligation on the part of the developing country to manage its own underdevelopment wisely. Only then will development assistance be forthcoming, as the language of partnership emphasises again and again.¹⁶¹

Abrahamsen highlights the importance of ensuring that conditions or obligations be addressed in order to enable development assistance to be forthcoming. Nevertheless, it is not mutually beneficial if the state that gives financial assistance is unable to impose obligations that will ensure mutual benefit. It is, furthermore, essential to question the effectiveness of financial assistance if the recipient accepts no accountability.

Carnoy and Brock-Utne, among others, consider foreign assistance to be a threat to LDSs' educational sovereignty due to the advanced states and international institutions imposing conditions formulated to benefit only themselves. Critical education theorists charge advanced states' educational aid with creating a new imperialism by perpetuating the recipient states' financial

¹⁶⁰ Gordon Crawford, "Partnership or Power?: Deconstructing the 'Partnership for Governance Reform' in Indonesia," *Third World Quarterly*, 24, (2003): 139-159; Abrahamsen, (2004):1453-1467.

¹⁶¹ Abrahamsen, (2004): 1460.

dependence. Carnoy and Tikly argue that advanced states grow richer from such relationships. Carnoy adopts the arguments of Frank and Wallerstein, among others, that the historical process remains active because the development and expansion of advanced states' economies has conditioned the nature of the LDSs' economies.

The critical education theorists express concerns about foreign aid to education, the mobility of educational institutions, and the transfer of educational materials across borders. Carnoy concludes that providing aid in education is one method that advanced states employ to exploit less-developed ones, and that the funding for educational institutions primarily serves their own needs.¹⁶² The crux of these arguments is that the donor states dominate the institutions of education and use the others' economic, political, and social structures to satisfy their own needs, while imposing conditions on the others' policy frameworks that primarily benefit themselves.¹⁶³

Like Crawford and Abrahamsen, however, Carnoy and Tikly fail to recognise that in an increasingly interdependent world economy advanced states and international institutions cannot impose conditions on LDSs. Instead, as Tilak succinctly asserts, "in a growing interdependent world economy, it becomes the responsibility of the rich to assist the development of poor countries".¹⁶⁴

Criticism of the critical education theorists also lies in its lack of empiricism. Drysdale, for example, points out that even though Carnoy's argument is convincing in the sense that the poverty of education in less-developed states is a human disgrace, this is also true for Boston, Massachusetts, which fails to provide education for most of its African-American and other

¹⁶² Carnoy, (1975).

¹⁶³ Tikly, (1996); Carnoy and Rhoten, (2002); Carnoy, (1975); Albatch, (2004); Albatch and Nathan, (1989); Tikly, (2004).

¹⁶⁴ Jandhyala Tilak, "Foreign Aid for Education," *International Review of Education*, 34, (1988): 318.

poor citizens.¹⁶⁵ Similarly, Tikly bases his arguments on education in African states. Although his studies enrich the understanding of the exercise of control through education by advanced states, it is not necessarily applicable to such non-African states as those in Asia.

The extent to which international institutions impose conditions on less-developed states requires further examination. International agencies such as USAID have the potential to influence the policies of aid-recipient governments, which raises the question of whether the conditions for aid are often in direct conflict with the recipients' sovereignty.¹⁶⁶

Accepting the critical education theorists' argument that advanced states exploit less-developed ones recognises that there is a lack of enforcement of international legal regulations. International legal regulations, therefore, provide a promising basis for a framework analysis of educational sovereignty. This thesis advances educational sovereignty as a concept clustered around the educational transactions between two states, and which also involves both international legal regulations and foreign educational aid.

Identifying the role of education in facilitating development is a good starting point for assessing the benefits and risks of foreign financial assistance in education. This role involves education's links to political, social, and economic factors. Foster observes that, "The effect of enhanced educational inputs upon economic outputs must be seen within a broader historical and sociological perspective which attempts to examine the problematic relationship between education and development in the widest sense."¹⁶⁷

Education facilitates the stabilisation of internal factions and the unification of diverse ethnic groups within a state by using the curriculum to

¹⁶⁵ Robert Drysdale, "Education as a Cultural Imperialism: Book Review," *School of Review*, 84,(1975).

¹⁶⁶ See Christopher Kilby, "Aid and Sovereignty," *Social Theory and Practice*, 25, (1999): 79-92.

¹⁶⁷ Cited in Paul Morris, "Asia's Four Little Tigers: A Comparison of the Role of Education in their Development," *Comparative Education*, 32, (1996): 96.

promote and emphasise a sense of national identity. This stability has been particularly important for such multi-ethnic states as Indonesia and Singapore.

Education plays an important role in developing a strong economy by producing a highly skilled labour force to advance development and generate economic returns.¹⁶⁸The limitations of LDSs in their ability to educate their citizens and thereby produce a high-quality workforce have often been a major obstacle to economic growth and development. This situation means that foreign financial assistance for education is likely to be beneficial to its recipients, although it is necessary to acknowledge the risk of financial dependence.

The concern that foreign financial assistance is a threat to educational sovereignty has yet to be examined. In Asia, Taiwan, South Korea, and Singapore, for example, have intervened strongly and directly in both the international education market and in financing and planning education. In this context it cannot be argued that foreign financial assistance has been a threat to educational sovereignty.

Education also has an important role in consolidating cultural values by promoting them in the curriculum. Foreign financial assistance to education may indeed be a threat to its recipients, as the critical education theorists claim, when donors use it as a tool for homogenising education or impose conditions on its recipients for their own benefit. Instead of focusing solely on whether foreign financial assistance is a threat, it is necessary to consider the extent to which foreign financial assistance is effective and can be beneficial for both recipients and donors.

¹⁶⁸ Morris, (1996): 95-110.

2.4.3 The importance of sovereignty in education and the potential for diminished sovereignty

This section discusses the link between transnational education and educational sovereignty. It considers the extent to which transnational education may be considered to have an impact on educational sovereignty, whether it diminishes it, and, if so, how it does so.

Critical education theorists stress that transnational education involves the LDS being in a commercially and politically weaker position than the donor and, consequently, vulnerable to exploitation, whether the objective is the commercialisation of education or the promotion of mutual understanding. Huang contends that in most Asian states education across borders still maintains its “basic character of a process of catching up with advanced countries and approaching the levels and provisions of the current centres of learning, mostly identified with the English-speaking countries in Europe and especially the United States.”¹⁶⁹

Critical education theorists, therefore, tend to challenge the role of educational sovereignty in international relations, arguing that the delivery of education tends to be tailored to the needs of international institutions and international education providers, both of which are likely to diminish educational sovereignty. Scholars such as Tomplinson, Burbules, and Torres argue that states have lost power, influence, and even sovereignty as they choose to tailor their policies to fit the needs of international market mobility.¹⁷⁰ One of this thesis’s aims is to explore the extent to which states do seek to tailor their national policies in response to the demands of other states. It assesses this process by exploring and identifying the demands and responses between states in bilateral agreements.

¹⁶⁹ Huang, (2007).

¹⁷⁰ Burbules and Torres, (2000). Also see Torres, (2002).

Unlike the critical education theorists Krasner argue that international agreements are based on the mutual recognition of states as being equal and independent. This recognition, Krasner concludes, is accorded to juridically sovereign territorial entities, which have the ability to enter into voluntary contractual agreements.¹⁷¹ Exercising their educational sovereignty, states are free to endorse any contract they find attractive.¹⁷² When this happens educational sovereignty is both a product of the relationships between advanced states and less-developed ones and a product of the recipient states' political will based on the agreements' benefits for them.

Krasner's argument stresses that LDSs can choose those international agreements that they consider to be beneficial for them. Krasner, however, fails to assess how international agreements can be beneficial for both donor and recipient states. This thesis seeks to explore the extent to which education agreements between advanced states and less-developed ones can benefit both, and to what extent recipient states concede their educational sovereignty in order to achieve these benefits.¹⁷³

The principle of the equality of sovereign states is fundamental to international law, which recognises that sovereign states are not subject to any superior external authority.¹⁷⁴ The International Court of Justice (ICJ) has also confirmed the equality of states.¹⁷⁵ Some, however, have disputed whether sovereign states are indeed equal under international law. Henkin argues that although "almost all nations observe almost all principles of international law

¹⁷¹ Stephen Krasner, "Sovereignty," *Foreign Policy*, 122, (2001a): 20-28.

¹⁷² *Ibid*, 21.

¹⁷³ This thesis uses the term LDS to distinguish states that have high rates of population growth and debt, high infant mortality, and low levels of literacy and per capita income, in comparison with those of advanced states. LDSs are mainly in Africa, Asia, and Latin America. See Alfonso Gonzales and Jim Norwine (eds), *The New Third World* (Boulder, Colorado: West View Press, 1998); Less Developed Countries, "Dictionary of Finance and Investment Terms," <http://www.credoreference.com.ezproxy.waikato.ac.nz>; Philip's Encyclopaedia, "Less Developed Countries," <http://www.credoreference.com.ezproxy.waikato.ac.nz>.

¹⁷⁴ Martin Loughlin, "Ten Tenets of Sovereignty," in *Sovereignty in Transition*, ed. Neil Walker (Oregon: Hart Publishing, 2003).

¹⁷⁵ *Ibid*, 183-205.

and almost all of their obligations almost all of the time”, international law is not enforceable.¹⁷⁶ It is important to recognise that although states may be guaranteed equality in law, political inequality persists. Henkin argues, however, that states usually abide by international law and recognise the principles of international legal sovereignty and the equality of states.

The critical education theorists perceive the demise of sovereignty to be a corollary of increasingly porous international borders and the loss of authority, both of which affect education in a myriad of ways. Verger and Bonal argue that the loss of educational sovereignty is a consequence of its on-going violation resulting from state commitments under the GATS and the public administration controls and plans for state educational systems according to such agreements.¹⁷⁷ This perspective, therefore, sees transnational education as having the potential to diminish a state’s educational sovereignty. This thesis assesses this conclusion. Unlike Verger and Bonal, Carnoy argues that while overall sovereignty is diminished, some aspects of it remain unaffected. Hybridisation diminishes it because that compels states to adapt their policies to suit international institutions’ needs, but states still retain influence over education within their territorial boundaries.¹⁷⁸ Carnoy’s analysis captures both the limitations and the supremacy of the state.

Whether LDSs still have the capacity to regulate their national education systems despite extensive flows of foreign education across their borders requires further examination in the light of the existence of cultural

¹⁷⁶ Louise Henkin, *How Nations Behave*, 2nd ed., New York: Columbia UP, 1979.

¹⁷⁷ Anthoni Verger and Xavier Bonal, (2006); Angela de-Siqueira, (2005).

¹⁷⁸ Carnoy and Rhoten, (2002). Also see Sini Sanou, “Critical Transnational Education,” *Western Humanities Review*, 60, (2004). Hybridization is defined by Rowe and Shelling as “the ways in which forms become separated from existing practices and recombine with new forms in new practice.” W. Rowe and V. Shelling, *Memory and Modernity: Popular Culture in Latin America* (London: Verso, 1991).

hybridisation.¹⁷⁹The nature of the educational transactions between donor and recipient states, therefore, strongly influences their effects on educational sovereignty.

The attraction of the critical education theorists ideas lies in the importance of educational sovereignty. There is, however, a danger in assuming its primacy. Authoritarian Asian states, for example, have used education as a tool for achieving political gains by maintaining passivity among the learners and inhibiting critical thinking.¹⁸⁰

Educational sovereignty is particularly valuable for protecting a state from control by others, which raises the question of the nature of such control. Critical education theorists argue that three main factors determine the level of educational sovereignty's importance for states, particularly less-developed ones, in regard to protecting it from others.

The first of these factors concerns whether donor states impose conditions on the recipients. For example, Carnoy, Tikly, and Ferudi, argue that the ability of advanced states and international institutions to impose conditions can be seen to be a form of indirect control. Although they do not consider whether states are free to endorse any contract they find attractive, this thesis acknowledges their concerns by including their argument in its investigation of the extent to which an LDS tailors its national policies to suit the demands of a prospective donor, the extent to which such educational agreements are mutually beneficial, and the extent to which the recipient state sacrifices its educational sovereignty to achieve such benefits.

¹⁷⁹ See Lingard and Rizvi, (2000); Christian Maroy, "Converges and Hybridization of Educational Policies around 'post-bureaucratic' models of regulation," *Compare: A Journal of Comparative and International Education*, 39, (2009): 71-84.

¹⁸⁰ See Ballard, "Some Issues in Teaching International Students," in *Reaching More Students*, eds L. Conrad and L. Phillips (Queensland: Griffith Institute for Higher Education, 1995): 107-114; Sandra Egege and Salah Kutieleh, "Critical Thinking: Teaching Foreign Notions to Foreign Students," *International Education Journal*, 4, (2004): 75-85

The second factor influencing the level of importance of educational sovereignty is whether transnational education agreements are tailored to the needs of international institutions and international education providers. The concept of the homogenisation of education is pertinent, as LDSs establish their positions in relation to the West. Sovereignty in education has, therefore, become a salient value through which LDSs endeavour to protect themselves from Western cultural domination. This thesis, therefore, considers the extent to which LDSs are able to regulate their national educational systems, enforce education law within their territory, and still be able to use education to preserve their cultural values.

The third factor influencing educational sovereignty's level of importance is whether foreign aid for education benefits only the donors. The LDSs' task of achieving economic development entails the employment of education, which often requires foreign assistance, as it is one of the available options for meeting the educational needs of a large population. This circumstance raises the question of whether the conditions attached to aid are in conflict with and in opposition to the LDSs' sovereignty. This thesis addresses such questions by examining the extent to which recipient states retain and exercise educational sovereignty.

Critical education theorists who associate transnational education with transactions between less-developed and advanced states have addressed the issue of whether it diminishes educational sovereignty by imposing conditions for those accepting it and tailoring its curriculum content to suit the donors' needs.¹⁸¹ Robertson, Bonal, and Dale consider the GATS as a source of diminished educational sovereignty by encouraging the commercialisation of

¹⁸¹ Burbules and Torres, (2000); Torres, (2002); Gu Jian Jing, (2009); Huang, (2007): 421-432; Gargano, (2009); Phuong-Mai Nguyen, Julian Elliot, Cees Terloaw, and Albert Pilot, "Neo-colonialism in Education: Cooperative Learning in an Asian context," *Comparative Education*, 45, (2009): 857-875; Luis Moll and Elizabeth Arnot-Hopffer, "Socio-cultural Competence in Teacher Education," *Journal of Teacher Education*, 56, (2005): 242-247; Carnoy and Rhoten, (2002).

education through a focus on economic policies that advance global competitiveness at the expense of national consciousness.¹⁸²

Other writers, such as Krasner, however, argue that LDSs' authority to govern themselves and to regulate their own domestic affairs is ensured in spite of their limited power in negotiations with donors.¹⁸³ The supremacy of sovereignty, according to Krasner, and the non-binding nature of commitment in education under the GATS challenge the arguments that violations of educational sovereignty result from any commitments a state makes under the GATS.

Clearly, the above critical education theorists' perspectives on sovereignty in education point to the potential for loss of educational sovereignty, its importance, and the advanced states' dominant role in their relationships with LDSs. This thesis elaborates upon this initial assessment further in order to establish the situation in regard to educational sovereignty with a focus on Indonesia's current and future agreements.

¹⁸² Robertson, Bonal, Dale, (2002).

¹⁸³ Stephen Krasner, "Abiding Sovereignty," *International Political Science Review*, 22, (2001b): 229-251. Sauve, (2002); Pereira, (2005).

2.4.4 Authority, control, autonomy, and the resilience of sovereignty in education

Foreign education providers rely on the willingness of client states to open up their markets to them. The nature of these relationships in this regard is one of mutual cooperation, as each party relies on the other for commitment to the arrangement. When such relationships are aimed at promoting understanding between two states, the LDSs can respond to proposals from advanced states by rejecting or accepting any offer of a bilateral relationship.¹⁸⁴

Since advanced states' education programmes penetrate into LDSs, which can reject or accept them, the nature of the relationship is, therefore, mutually beneficial. Arrangements between states, as reflected in such documents as MoUs and MoAs, are governed by domestic law. This backing in domestic law means that the LDSs are not disadvantaged, as the critical education theorists have argued.

The measurement of sovereignty is indeed a difficult task. As Thomson argues, the central problem is misunderstanding the relationship between authority and control, with authority concerning rule making and control concerning rule enforcement.¹⁸⁵ Autonomy also constitutes a fundamental principle of sovereignty, and is essential to the practices of the LDSs as it is a means of safeguarding against the negative effects of the international system.¹⁸⁶ Autonomy functions to control the activities of transnational actors, to enhance international negotiating capacities, to uphold state interests, and to effectively direct domestic affairs.¹⁸⁷ This thesis acknowledges that the defining features of educational sovereignty include autonomy, the making of

¹⁸⁴ Dean DeRosa, "US Free Trade Agreements with ASEAN," in *Free Trade Agreements: US Strategies and Priorities*, ed. Jeffrey Schott (Washington D.C.: Institute for International Economics, 2004). Also see Krasner, (2001b).

¹⁸⁵ Janice Thomson, "State Sovereignty in International Relations: Bridging the Gap between Theory and Empirical Research," *International Studies Quarterly*, 39, (1995): 213-33.

¹⁸⁶ Arlene Tickner, "Seeing IR Differently: Notes from the Third World," *Millennium Journal of International Studies*, 32(2003):318.

¹⁸⁷ Ibid.

regulations by the LDSs (authority) and the enforcement of education law within their territory (control).

While states have the authority and control over education within and across their territories, whether a state's ability to make authoritative political decisions becomes eroded depends on how adaptable and resilient it is to such changes as the removal of trade barriers. Krasner argues that states can never isolate themselves from their external environment, as represented by other states.¹⁸⁸ States have always struggled to control the flow of people or services. Krasner argues that loss of control can precipitate a crisis of authority, but that the condition is insufficiently serious to warrant the development of new authority structures.¹⁸⁹

2.4.5 Understanding transnational education and its impact

As argued earlier, transnational education is often associated with LDSs' economic development, trade in education, and the promotion of understanding between states. LDSs' use of transnational education for their economic development involves meeting their objectives in regard to increasing their capacities. The aim of promoting understanding between states also involves striving to achieve academic, cultural, and political objectives.¹⁹⁰ Table 2 summarises the aims and conditions of transnational education and the forms it takes.

¹⁸⁸ Krasner, (2001a).

¹⁸⁹ It cannot be assured, however, that any new authority structures will be effective.

¹⁹⁰ See Simon Marginson and Grant McBurnie, "Cross-border post-secondary education in the Asia Pacific region," *Internationalisation and trade in higher education: Opportunities and Challenges*, OECD 2004. Also see OECD, "Internationalisation of higher education", *Observer*, 2004.

Table 2. Forms and conditions of transnational education

Forms	Conditions of transnational education		
	Development (capacity-building objectives)	Academic, cultural, and political objectives	Commercial/trade (trade objectives)
Mode 1 Programme articulation, twinning, double or joint degrees, validation, virtual universities	Delivery of the program is often done through partnership arrangements or can be an independent initiative by a foreign provider.		
Mode 2 Full degree, fieldwork, educational exchanges, internships	The funding for these forms of transnational education can be from scholarships from government, exchange agreements, public-private sources, and self-funding.		
Mode 3 Branch, mergers, virtual universities, affiliations & networks, independent institutions	The emphasis is on the establishment of foreign education providers in a receiving state.		
Mode 4 Education consultancy, professional development, research, joint curriculum development, technical assistance	The projects and services can be undertaken as part of development, cultural and educational, and commercial objectives.		

Adapted from Jane Knight, "Higher Education Crossing Borders: Programmes and Providers on the Move," in *Higher Education in a Global Society*, eds. D. Bruce Johnston, Madeleine D'Ambrosia, and Paul Yakoboski (Massachusetts: Edward Elgar Publishing, 2010). Also see Jane Knight, "Cross-border Education: An Analytical Framework for Program and Provider Mobility," *Higher Education*, 21(2006):345-395.

There are impacts of transnational education on enrolled students in a recipient state, foreign education provider institutions, and education institutions in a recipient state. Table 3 explains this point graphically.

Table 3. Understanding the forms of transnational education and their impacts¹⁹¹

Forms of transnational education	Influencing factors	IMPACTS		
		Enrolled students in a recipient state	Foreign education provider institutions	Education institutions (recipient state)
Virtual education, distance education	High technology, removal of restrictions on imports of education materials, elimination of non-recognition of degrees obtained through distance and virtual education	Gaining foreign education qualifications without leaving home. Less expensive. Students may be exposed to low quality foreign education.	Low cost for the establishment of education programmes as distance and virtual education require less investment and infrastructure than educational institutions that require buildings and campuses	Relationships with foreign education providers can be competitive. Incomes of local education providers can be decreased
Full degree, fieldwork, educational exchanges, internships	Removal or reduction of restriction on foreign travel based on disciplines, areas of study, or both; removal or reduction of quotas on the number of students proceeding to a state or institution	Expensive. Although students receive scholarships, consumption abroad is an expensive option, as it involves the high cost of living in a foreign state.	Fees could be high for students from client states. This form generates profits.	Incomes of local education providers can decrease as affluent local students may prefer foreign educational institutions.

¹⁹¹ Adapted from Jane Knight, “Higher Education Crossing Borders: Programmes and Providers on the Move,” in *Higher Education in a Global Society*, eds. D. Bruce Johnston, Madeleine D’Ambrosia, and Paul Yakoboski (Massachusetts: Edward Elgar Publishing, 2010). Also see Grant McBurnie and Christopher Ziguras, *Transnational Education: Issues and Trends in Offshore Higher Education*. (New York: Routledge, 2007).

Forms of transnational education	Influencing factors	IMPACTS		
		Enrolled students in a recipient state	Foreign education provider institutions	Education institutions (recipient state)
Branch campuses, independent institutions	<p>Removal or reduction of restrictions on certain disciplines or programmes;</p> <p>restrictions on Foreign Direct Investment (FDI) by education providers;</p> <p>removal or reduction of such barriers on commercial presence as insistence on equal academic qualifications and disapproval of franchise operations</p>	Gaining foreign educational qualifications without leaving home. This can be beneficial for students who have family or work commitments. This option is also less expensive.	Relationship with foreign education providers can be either competitive or collaborative.	<p>Relationship with foreign education providers can be either competitive or collaborative.</p> <p>Incomes of local education providers can decrease as affluent local students may prefer foreign educational institutions.</p>
Professors, researchers, and educators working in another country	Removal or reduction of visa and entry restriction; removal or reduction of nationality or residence requirements; elimination or reduction of restrictions on repatriation of earnings	New knowledge and skills	The opportunity to maintain relationship with education institutions in a recipient state	New knowledge and skills

Table 3 shows two important aspects of the relationship in education between the developed and the less developed states. Firstly, the relationships with foreign education providers can be either competitive or collaborative. Secondly, there are advantages and disadvantages of transnational education. Table 3 shows that there are advantages and disadvantages of transnational education for enrolled students in a recipient state, foreign education provider institutions, and education institutions in a recipient state. For instance, enrolled students in a recipient state benefit from virtual and distance education because it is less expensive than the consumption abroad mode, and the students gain foreign education qualifications without leaving home. The disadvantage is, however, they are vulnerable to poor quality education. For education institutions in a recipient state, the relationship with foreign education can be collaborative or competitive. Nonetheless, incomes of local education providers can decrease as affluent local students may prefer foreign educational institutions. Although the importer or recipient state has the benefits of transnational education, they are exposed to more risks than the exporter states. It is expected therefore, that there are concerns surrounding the impact of transnational education on LDSs. This thesis then explores and examines the impact of transnational education on the recipient/importer state.

2.5 Features of educational sovereignty

Educational sovereignty involves both the maintenance and development of local cultural values through education and state authority to control the movement of people, educational materials, and institutions within and across borders. Educational sovereignty also refers to a state's refusal to accept foreign intervention in education unless it has sought and agreed to that intervention.

What is missing, however, is the role of territoriality, or the physical extent of a state's exclusive sovereign jurisdiction, in the preservation of

educational sovereignty.¹⁹² As transnational education involves the intrusion of each other's territories, territoriality is salient in the discussion of transnational education. The salience of territoriality influences domestic political policy making in the areas among others, education, foreign relations, and defence to establish their "state-centred forms of territoriality",¹⁹³ which other states recognise. Recognition by foreign authorities is, therefore, an important feature of educational sovereignty. It is, consequently, possible to determine the loss of educational sovereignty by reference its criteria. Table 4 illustrates this point.

Table 4. Features of educational sovereignty

Educational sovereignty
1. Autonomy to regulate national education and control over national educational law without intervention from foreign authorities
2. Authority and control over educational materials and programmes, and educational institutions across borders and within the state's territory
3. The ability to refuse intervention in education from outside the state unless the state has sought that intervention
4. State retention of the ability to maintain local cultural values through education
5. Recognition of independent entities, that include territorial jurisdiction, by other states.
6. The need and ability of non-state actors to challenge the arbitrary authority of power structures to determine the essence of individuals' educational experience.

Table 4 illustrates the criteria for measuring the maintenance of the presence of education sovereignty. To claim sovereignty, the state maintains autonomy over national laws regulating education. The state has authority over educational activities within its border and it can allow transnational education intervention, provided intervention has been sought. State also

¹⁹² John Agnew, "Sovereign Regimes: Territoriality and State Authority in Contemporary Politics," *Annals of the Association of American Geographers*, 95, (2005): 437.

¹⁹³ Anssi Paasi, "Boundaries as Social Processes: Territoriality in the World of Flow," *Geopolitics*, 3, (1998): 73.

promotes cultural values through education and requires that state entities are accorded due respect by others.

2.6 Hypotheses

Table 3 and the preceding discussion provide the following framework for analysing the extent of educational sovereignty. Does transnational education involving a developed state and a LDS diminish the education sovereignty of the latter, is the central question of this study. In order to address this central question, it is first necessary to address three specific questions and the hypotheses that follow from them.

Specific question 1: What is the nature of the educational relationship between the US and Indonesia?

1. **Hypothesis 1:** Transnational education is about the development of a new imperialism by perpetuating knowledge and financial dependency through the transfer of American knowledge and aid in education.
2. **Hypothesis 2:** Transnational education advances learning about other states and has the potential to improve relationships and promote international understanding.

Specific question 2: Is Indonesia free to endorse any contract its government finds attractive or is it coerced into accepting any agreement?

1. **Hypothesis 3:** The provision of American education programmes in Indonesia undermines Indonesian educational sovereignty;
2. **Hypothesis 4:** American education providers operate within the terms of negotiated exchange agreements and do not undermine nor weaken the educational sovereignty of Indonesia;
3. **Hypothesis 5:** American financial assistance in education threatens the educational sovereignty of Indonesia;

4. **Hypothesis 6:** American financial assistance is an instrument for the development of Indonesia and for its education.

Specific question 3: Does Indonesia still have the authority to regulate its educational curriculum?

1. **Hypothesis 7:** Having American provided education in Indonesia will lead to the homogenisation of the Indonesian education curriculum, through the transfer of American culture and values;
2. **Hypothesis 8:** Through the exercise of educational sovereignty, the Indonesian government retains sufficient control over its national education curriculum such that it is not subject to homogenisation;
3. **Hypothesis 9:** The creation of hybrid education programmes diminishes Indonesia's educational sovereignty;
4. **Hypothesis 10:** The creation of hybrid education programmes does not diminish the Indonesian government's ability to maintain its culture and values.

This framework offers the criteria for this thesis to use in assessing such propositions associated with educational sovereignty: whether educational sovereignty has diminished and, if so, the extent to which this loss has occurred.

2.7 Concluding remarks

This chapter has defined transnational education as the mobility of educational materials, people including students, and foreign educational service providers across borders. It refers to all types of post-secondary educational study programmes or courses of study and educational services which are delivered through various modes, including distance education and partner-supported delivery, franchising, joint awards, internet delivery, and off-shore campuses.

Transnational education has become broader as new delivery models beyond the mobility of students and the mobility of educational materials have emerged. In addition to providing for the commercialisation of education, transnational education also presents a platform for partnership through franchising, twinning arrangements, branch campuses, and corporate programmes. The relationship with foreign education providers can, therefore, be either competitive or collaborative, a point that both perspectives outlined and discussed in this chapter fail to address. This thesis, therefore, addresses transnational education's impact on the relationship between donor and recipient states.

Educational sovereignty is a state's ability to maintain local cultural values through education, to regulate the flow of educational institutions, materials, and students and practitioners across its borders, and to respond to the increasing demand for education without accepting unwanted impositions from foreign states. It also refers to the ability to choose which foreign involvements in education to accept and which to reject.

Of considerable significance to transnational education and educational sovereignty, is the complexity of the relationship between developed states and LDSs, and between transnational education and educational sovereignty, and the role of social agencies, both state and non-state actors. Central to the endeavours of critical education theorists are their critical perspectives which challenge the existing social and political order and the state autonomy in resisting being an alliance or a pact of domination. Thus, within the context of transnational education, complex questions are raised about the reconstruction of the meaning of educational sovereignty. Educational sovereignty then also refers to the need to determine the essence of the educational experience, and the ability of non-state actors to challenge capricious authority of power structure in determining individuals' educational experience.

This thesis begins its assessment of educational sovereignty by establishing its position within current agreements, with particular reference to Indonesia. It presents educational sovereignty as a concept centring on the educational transactions between Indonesia and the US, including both those with trade and development objectives and those with the objective of promoting understanding between the states involved.

Whether transnational education diminishes educational sovereignty has been the subject of prolonged discussions. The critical education theorists argue that the developed states' dominance in curriculum, language, and expertise, and their indirect control through educational aid money, reduces the recipient states' sovereignty through retaining superior knowledge and expertise, creating financial dependence, and through the homogenisation of education and culture.

The opposing view is that transnational education has the potential to promote understanding between states through the process of hybridisation, which is visualised as a process of learning from each other. This view, furthermore, holds that transnational education does not diminish educational sovereignty because the recipient states have the capacity to control their national education systems.

The extent, to which recipient states have lost sovereignty, if at all, will be determined by their political will to consider the benefits for them of all contracts and to agree only to those they find attractive, rather than merely tailoring their educational policies to suit the needs of international institutions and international education providers. A state's ability to make authoritative decisions or policies in regard to education depends on how adaptable and resilient it is to such changes as the removal of trade barriers. Rulemaking and rule enforcement, therefore, have important roles in maintaining educational sovereignty. This thesis acknowledges that the retention of sovereignty in education requires that the recipient states need to

be both making regulations and enforcing education law within their territories.

CHAPTER III

RESEARCH DESIGN

3.1 Introduction

Ten hypotheses were derived from the literature review presented in chapter 2. These relate to contrasting perspectives on the impact of transnational education on educational sovereignty. The hypotheses were based on a definition of transnational education being all types of post-secondary education study programmes or courses of study, and educational services across borders that are delivered through various modes, such as distance education and partner supported delivery, franchising, joint awards, Internet delivery, and off-shore campuses. Educational sovereignty was defined as the ability of the state to maintain local cultural values through education, to regulate the flow of education institutions, materials, and students and practitioners across their borders, and to respond to the increasing demand for education without imposition from any foreign power.

This chapter outlines how the hypotheses are to be examined, and the methodology to be used in proceeding with the research. The chapter begins by setting out the rationale for the research design and goes on to outline the procedures involved in carrying out the study. A case study method, using broadly qualitative research techniques, was adopted, given the interest in understanding what was arranged and agreed to by actors in the education exchange. Research material, comprising documents and interviews, was used to gain an understanding of the transactions and interactions involved in the development of the exchange agreements.

This chapter also provides a description of the steps taken in collecting the data and the approach taken in the analysis of that data, before considering a number of key ethical issues.

3.2 The qualitative research method

The examination of these hypotheses was carried out using a broadly qualitative research approach. Qualitative research begins with the assumption that the experience of the research participants is significant, as conclusions about the world around us are arrived at through personal engagement in life's affairs.¹⁹⁴ Qualitative can be distinguished from quantitative research in four key ways.¹⁹⁵ First, quantitative methods assume the importance of social facts rather than individuals' beliefs. Qualitative methods, by contrast, assume the importance of individual and collective definitions of a situation as a reality constructed by them. Second, in quantitative research, the researcher is assumed to be detached from the research participants in order to avoid bias. In qualitative research, there is an acceptance that the researcher is immersed in the research, and is an interactive participant in reaching conclusions. Third, quantitative research seeks to deal with causes of change primarily through quantitative analysis, whereas qualitative research seeks to deal with understanding situations from the different actors' perspectives through participation in situations of interest. A fourth distinction lies in the research approaches: quantitative research often utilises experimental designs and quantitative analysis to reduce inaccuracies whereas "the prototypical qualitative study is the ethnography which helps the reader understand the definitions of the situations of those studied".¹⁹⁶

¹⁹⁴ Robert Stake, *The Art of Case Study Research* (Thousand Oaks, California: Sage Publications, 1995).

¹⁹⁵ William A Firestone, "The Rhetoric of Quantitative and Qualitative Research," *Educational Researcher*, 16 (1987):16.

¹⁹⁶ Goodenough in Firestone, (1987),16.

A key assumption that informs qualitative research is that “people create and associate their own subjective and inter-subjective meanings as they interact with the world around them”.¹⁹⁷ It is the task of the researcher to “understand phenomena through accessing the meanings participants assign to them”.¹⁹⁸ Qualitative research attempts to make sense of interpretive phenomena in terms of the meanings that people bring to them, and thus it provides for a rich description of complex phenomena. It allows for the tracking of unique or unexpected events, and it has potential to uncover the interpretations of events by actors with first-hand experience in the area of the research.¹⁹⁹

Qualitative research is, therefore, appropriate for this study given the focus on understanding and determining the social contexts and dynamics of the core question of educational sovereignty in a way that takes account of the participants’ perspectives. Its use will enable a greater understanding of the attitudes and beliefs toward the Indonesia-US education relationship.²⁰⁰ This choice does not rule out of the use of quantitative methods where appropriate, but the interest here is in understanding the transactions in the development of transnational education agreements, and whether educational sovereignty in Indonesia has been diminished by transnational education.

¹⁹⁷ Wanda Orlikowski and Jack Baraoudi, “Studying Information Technology in Organizations: Research Approaches and Assumptions,” in *Qualitative Research in Information Systems: A Reader*, eds. Michael Myers and David Avison (London: Sage, 2002):55.

¹⁹⁸ Wanda Orlikowski and Jack Baroudi, “Studying Information Technology Organisations: Research Quality in Qualitative Approaches and Assumptions,” *Information System Research*, 2 (1991): 5.

¹⁹⁹ Shoshanna Sofaer, “Qualitative Methods: What Are They and Why Use Them?” *Health Service Research*, 34 (1999):1101-1118; Roger Jones, “Why do Quality Research?” *British Medical Journal* 311(1995):2.

²⁰⁰ Norman Denzin and Yvonna Lincoln, *Strategies of Qualitative Inquiry* (Thousand Oaks, California: Sage Publications, 2003); Anselm Strauss and Juliet Corbin, *Basics of Qualitative Research: Techniques and Problems for Developing Grounded Theory* (Thousand Oaks, California: Sage Publications, 1998).

3.3 The case study approach

A case study approach has been adopted for this study. Case study refers to research carried out in one relatively bounded setting, such as a state or a community.²⁰¹ The case study is a form of empirical inquiry that investigates phenomena within a real-life context. Case studies provide for the detailed investigation of social and organisational processes, and thus provide a basis for describing, understanding, and explaining, and for the analysis of context and process.

Rather than leading to conclusions that are generalisable to populations or universally, case studies are better suited to illuminating the theoretical issues being studied,²⁰² and providing a basis for developing generalisable theoretical propositions.²⁰³ As Yin says, they provide a means for determining “whether a theory’s propositions are correct or whether some alternative set of explanations might be more relevant”.²⁰⁴

A single case study was used to explore the question of educational sovereignty and to contribute to theoretical understanding of the issue. The rationale for adopting an exploratory approach is related to the research questions. These ask ‘what’ is happening in the transnational education relationship between Indonesia and the US. Such questions are suited to exploratory case studies.²⁰⁵

Furthermore, case studies allow for the in-depth investigation of research questions through various methods and involve the collection of a wide variety of information as a basis for observations. They are particularly suited to mixed methods approaches, and allow for the inclusion of a

²⁰¹ Dvora Yanow et al., “Case Study Research in Political Science,” in *Encyclopaedia of Case Study Research*, eds Albert Mills, Gabrielle Durepos, and Elden Wiebe (London: Sage, 2008).

²⁰² Robert Yin, *Case Study Research: Design and Methods*, 2nd ed (London and New Delhi: Sage Publications, 1994).

²⁰³ Ibid.

²⁰⁴ Yin, (1994), 40.

²⁰⁵ The ‘what’ question can be a form of the ‘how’ line of inquiry. See Yin (1994).

heterogeneous data set such as documents, interviews, and observations at different points in time.²⁰⁶ Drawing on a number of data sources allows for triangulation; a case study, therefore, provides for greater confidence in the conclusions that are drawn.

The Indonesia-US education relationship case study was chosen as an example of what Yin refers to as a “typical case”²⁰⁷ of a relationship between an economically powerful state and one that is less powerful. In this single case study, there were seven types of education provider arrangements that will be discussed later in this chapter. Comparison was made across different units: between different stakeholders in the Indonesia-US education relationship. Kivimaki’s study on bilateral relationship between Indonesia and the US shows that while the US is economically powerful, Indonesia has retained bargaining power within the context of that relationship.²⁰⁸ The relationship thus provides a case in which to examine the extent to which Indonesia has maintained its sovereignty in education. Yin reminds us that the single case study has its pitfalls specifically when the case study fails to return to the larger unit of analysis.²⁰⁹ This study, therefore, takes this warning into account: instead of focusing only on one unit of analysis, the researcher made comparison within the units of analysis, and linked the comparison with the single case, which is the Indonesia-US education relationship.

Indonesia’s demand for post-secondary education has increased since it gained independence in 1945. This study includes education transactions with the US after the Suharto era (2000-2012) because education system reforms with an emphasis on transnational education took place in the post-Suharto

²⁰⁶ Brooke Ackerly and Jacqui True, *Doing Feminist Research in Political and Social Science* (New York: Palgrave MacMillan, 2010).

²⁰⁷ Ibid.

²⁰⁸ See Timo Kivimaki, *US-Indonesian Hegemonic Bargaining: Strength of Weakness* (Hants., England: Ashgate Publishing Company, 2003).

²⁰⁹ The larger unit of analysis in this case study is inclusive of all those parties to the Indonesia-US education relationship.

era. However, this study emphasises the education transactions with the US since 2009 because Indonesia and the US initiated a stronger relationship through the US-Indonesia Comprehensive Partnership in 2010.²¹⁰ The Indonesia-US education relationship thus provides a case to explore the extent to which transnational education diminishes educational sovereignty. Hamel et al. have suggested that a case study such as this has the potential to illustrate how perceptions, processes, communications, and objections operate in processes of negotiation.²¹¹

The central research question, ‘Does transnational education diminish educational sovereignty?’ has been framed within the context of contrasting perspectives on education sovereignty and transnational education, as outlined in chapter 2. Existing theories of educational sovereignty and transnationalism are not only conflicting but also offer inadequate answers. Consequently, this case study might be seen as a prelude to further study.

3.4 Data collection

Both primary and secondary data were employed in this study. Primary data included documents such as official government and non-governmental documents accessed through the Internet, and interviews.

Information about the aims of the Indonesia-US education relationship were obtained from USAID, Indonesian education providers partnering with American education providers, the Indonesian Ministry of Education, the coordinating Ministry of Welfare and Religion, and the National Education Standardisation Body. Other documents including newspapers, official websites, news reports, and commentaries were utilised in researching the background and context of the education transactions. Through these documents the researcher was able to obtain information about the

²¹⁰ See chapters 4 and 5.

²¹¹ Ibid.

environment within which transnational agreements between Indonesia and the US have been developed, the intentions of those involved in entering into transactions, and what people have commented.²¹²

Interviews enable the researcher to investigate people's attitudes, opinions, beliefs, and feelings toward others. They also enable the researcher to investigate behavioural norms and lived experiences that reflect values which cannot be determined by quantitative research.²¹³ The views of key actors in the Indonesia-US education relationship were, therefore, obtained through interviews. These enabled access to their first-hand observations of the development and implementation of transnational education policy and agreements. Further, interviews provided the researcher with the participants' reflections on their experiences, something which is not available from official and other primary documents. Interviews were also an important way of gaining access to knowledge and information that was not publicly available or reported in the media, especially information pertaining to the negotiation process.

Overall, through the collection of relevant documents and through interviews, the researcher was able to obtain pertinent information as well as triangulate that information.

3.4.1 The site of the study

The interviews were conducted in the capital city of Indonesia, Jakarta, because the key actors involved in the Indonesia-US education exchange were based there. As the capital city, Jakarta is where national political decision making, national policy making, and international affairs are conducted. As a capital city, it is a mix of modern Western and traditional eastern elements. It is a site of embassies, a centre of commerce, and it is also the seat of

²¹² Michael Meyer, "Using Documents," *Qualitative Research in Business and Management*, 2008: 151-160.

²¹³ Norman Denzin and Yvonna Lincoln, (2003).

government. Most of the interviewees were central government officials, officials of embassies, and university vice-directors or university directors of international cooperation resident in Jakarta.

3.4.2 The sample

Purposive sampling procedure was used in this study. According to Oliver and Jupp, purposive sampling is a form of non-probability sampling in which decisions concerning the individuals to be included in the sample are taken by the researcher, based upon a variety of criteria which may include specialist knowledge of the research issue, or the capacity and willingness of individuals to participate in the research. In brief, purposive sampling is a procedure to select the samples according to the aims of the research which necessitates researchers taking a decision about the individual participants who would be most likely to contribute appropriate data, both in terms of relevance and depth.²¹⁴ Participants were selected because they had first-hand experience in transnational education policies and negotiations in the Indonesia-US education relationship. The interactions within that relationship involve Indonesian and American government ministries and agencies; American and Indonesian post-secondary education institutions; American and Indonesian public-private partnership providers.

There are seven possible units of analysis: the Indonesian government ministries; the US government agency involved with overseeing aid; Indonesian post-secondary education institutions; American post-secondary education institutions; Indonesian public-private partnership providers; American public-private providers; and, American non-governmental organisations. It should be noted that Indonesian non-governmental organisations are not involved in the transactions, as they are often opposed to

²¹⁴ Paul Oliver and Victor Jupp , “Purposive Sampling,” *The Sage Dictionary of Social Research Methods* (London: Sage, 2006): 244; Leonard Schatzman and Anslem Strauss, *Field Research : Strategies for a Natural Sociology* (Englewood Cliffs, New Jersey: Prentice Hall, 1973).

foreign aid and education.²¹⁵ From the seven possible units of analysis, participants were chosen from the following organisations:

1. State actors, including Indonesian officials in USAID, the Indonesian Ministry of Education, the Coordinating Ministry of Welfare and Religion, the Indonesian Directorate General of Higher Education, and the National Education Standardisation Body;
2. Non-state actors, including the representatives from Indonesia's education providers partnering with American education providers, and public-private providers.²¹⁶

The Indonesian government ministries include the Ministry of National Education, Ministry of Religious Affairs, and Ministry of Coordination of the People's Welfare. Examples of Indonesian post-secondary education institutions involved in the transactions are the University of Diponegoro, Bogor Institute of Agriculture, and other post-secondary education institutions that have education transactions with American post-secondary education institutions. Examples of American post-secondary education institutions involved in the transactions are the University of Ohio, Portland State University. Indonesian public-private partnership providers include the Sampoerna Foundation which works together with an American aid agency.²¹⁷ Examples of American public-private partnership providers involved in the transactions are the Exxon Mobil and USAID partnership, Exxon Mobil and the US-Indonesia Society (USINDO), and the USAID and Ford Foundation

²¹⁵ It is discussed further in chapter 5.

²¹⁶ Exxon Mobil and USAID is one example of two legal entities collaborating to form a public-private provider.

²¹⁷ Public-Private-Partnership (PPP) providers are government education services or private enterprise partnerships which are funded and operated through a partnership of government and one or more private sector education institutions or enterprises.

partnership. USINDO is an example of an Indonesian American non-governmental organisation.

The researcher identified possible research participants during the search for both non-state and state institutions involved in the education exchanges between Indonesia and the US. Members of these organisations were identified who were involved in the development of education exchange agreements or in the implementation of those agreements. After names were found, the researcher conducted an initial background search for relevant information about the experience of prospective participants in overseeing education exchanges. A total of forty five prospective participants were identified as suitable for this research. When approached, twenty of these indicated they were willing to participate. Of the twenty interviewees, there were fourteen negotiators; the other six respondents dealt with policy making (three Indonesians), management and administration (two Americans and one Indonesian). Of the twenty interviewees, there were six American and fourteen Indonesian respondents. There were:

1. Five Indonesian government officials with a minimum of four years in their current positions. Four of them are the negotiators. They were rectors, educators, and professors in their previous roles;
2. Two American government officials involved with overseeing aid;²¹⁸
3. One Indonesian national who worked for a US governmental agency;²¹⁹
4. Six Indonesians who work at Indonesian universities that have education relationships with the US. They are all negotiators. In

²¹⁸ How long they had been involved in the education sector and in their current positions is not known and the researcher did not ask.

²¹⁹ Ibid.

general, they each had a minimum of three years of experience in their current positions;

5. Four Americans who worked at American universities that have an education relationship with Indonesia. They are all negotiators;²²⁰
6. One Indonesian who worked for a US company which has contributed financially to Indonesia's education;²²¹
7. One Indonesian who worked for a non-governmental organisation. This organisation deals with foreign education and research.²²²

All but four of the interviews were held in Jakarta. Four American participants, who lived in the US, were interviewed using Voice over Internet Protocol (VoIP).

Twelve Indonesian respondents played multiple roles and thus were able to respond to the research themes not only from their personal standpoint but also from their political and professional perspective. One respondent, for instance, is a lecturer. He is also a government official and plays an active and vital role in the arrangement of education exchanges between Indonesia and the US.

3.4.3 Approaching participants for interview

After obtaining the ethical approval of the University of Waikato, New Zealand, the researcher contacted the participants. The researcher communicated with participants via email and sent each respondent an information package (see appendix B) to introduce the interview topics through a short description of the project. This information also clarified the

²²⁰ Ibid.

²²¹ Ibid.

²²² Ibid.

respondent's rights (see appendix C). A schedule of interview times was developed over a period of three months through email contact, mobile phone texting, and telephone contact while the researcher was based in New Zealand. The interviews were conducted in both formal and informal situations. Formal situations involved interviews in the respondent's office, while informal situations included interviews conducted over lunch or dinner. Interviews generally lasted for 30-45 minutes and were audio-recorded. (The schedule of interview questions can be found in appendix D.) Upon commencing the interview, the interviewer encouraged respondents to introduce themselves and to tell of their experience in their current position as an official, rector, director, or vice-minister. Six interviews were also conducted via Voice over Internet Protocol (VoIP) for two reasons. First, four American participants lived in the US (not in Indonesia where the field interviews were conducted). Second, the researcher needed to ask follow-up questions.

A series of open-ended questions were developed and these were clustered around concerns about transnational education derived from the hypotheses outlined in the previous chapter. They addressed questions concerning the imposition of conditions by the advanced state, financial dependency, and the homogenisation of education curriculum. Questions were then organised into three broad categories: questions about the agreements of the education exchange; questions about financial management and agreements; and questions about curriculum. Before the interviews, the questions had been piloted to ensure clarity, and adjustments had been made. These questions were then used as a guide for the interview. Participants were asked questions according to their roles in negotiating the agreements, financial management and agreements, or in curriculum matters.

Interviews were semi-structured, allowing the conversation to flow where the interviewee took it. The interviewer is required to be sensitive to comments in order to inquire into areas being alluded to by the interviewee.

There may have been issues that the interviewer was unaware of up to this point. With the use of open-ended questions, the interviewees were enabled and encouraged to provide more information than might be expected with closed questions.

The interviews allowed the researcher to obtain the participants' first-hand observations of the development and implementation of the transnational education policy and agreements.

3.4.3.1 Indonesian cultural context

Cultural understanding was important in the interview because cultural sensitivity enhanced the interview by facilitating and encouraging the interviewees to provide relevant information. Authority is respected and preserved in the upper echelons of Indonesia's political and social classes. Most of the respondents were clearly in positions of influence, power, and prestige.

Respect is also important when communicating with married women and older people. The researcher also showed appropriate respect to the participants not only by calling them 'Sir (*bapak*)' or 'Madam (*ibu*)' but also through body gestures especially to the Javanese as the Javanese have certain body gestures which show respect. Respect was clearly shown at all times during the interview. All respondents also called the interviewer 'madam' although the interviewer is ten to twenty years younger than the interviewees.

'Problem' was considered to be a strong word and prompted an emotional reaction. For example, when the interviewer asked one respondent if Indonesian education problematic, before the interviewer could continue with the question, the respondent answered defensively and emotionally stating, "I would say that maybe you have only limited information about the education system in Indonesia, and that you only think there is a problem eh?"

That is very dangerous if you say there is a problem. That is a negative perception of Indonesian education”.²²³

3.5 Data analysis

The evaluation of transnational education and its implication for education sovereignty in Indonesia involved the collection and analysis of primary data (interviews, MoUs, reports from institutions) and secondary data, such as newspaper articles, related publications, and journal articles.

Data analysis was determined by both the research aims (deductive), and the identification of the patterns or emerging themes and interpretations from the raw data (inductive). The analysis began with theoretical propositions, which helped the researcher to focus attention on certain data.

The responses to each interview question from all interviewees were grouped to make comparisons between respondents easy. The researcher attempted to explore, through the experiences of respondents, the extent to which transnational education in the Indonesia-US education relationship diminished educational sovereignty. Data generated from the respondents was transcribed and cross-referenced to secondary data. The analysis required linking the data to the propositions (as outlined in chapter 2). The data, the hypotheses and research questions, as outlined in chapter 2, are summarised in Table 5 overleaf.

²²³ Respondent 11.

Table 5. Research questions, hypotheses, and key information sources for data analysis

Research questions	Hypotheses	Key information sources
<p>1. What is the nature of the education relationship between the US and Indonesia?</p> <p>2. Is Indonesia free to endorse any contract it finds attractive? Is Indonesia coerced into accepting any agreements?</p>	<p>Hypothesis 1: Transnational education is about the development of a new imperialism by perpetuating knowledge and financial dependency through the transfer of American knowledge and aid in education.</p> <p>Hypothesis 2: Transnational education advances learning about other states and has the potential to improve relationships and promote international understanding.</p> <p>Hypothesis 3: The provision of American education programmes in Indonesia undermines Indonesian educational sovereignty.</p> <p>Hypothesis 4: American education providers operate within the terms of negotiated exchange agreements and do not undermine or weaken the educational sovereignty of Indonesia.</p> <p>Hypothesis 5: American financial assistance in education threatens the educational sovereignty of Indonesia.</p> <p>Hypothesis 6: American financial assistance is an instrument for</p>	<p>Interviews with government officials, rectors and vice-rectors, directors of international offices, deans, vice-chancellors, presidents and vice-presidents of Public-Private-Partnership providers, and research managers.</p> <p>Relevant documents, such as MoU and Indonesian education regulations and laws</p> <p>Interviews with government officials, rectors and vice-rectors, directors of international offices, deans, vice-chancellors, presidents and vice-presidents of Public-Private-Partnership providers, and research managers</p> <p>Relevant documents, such as MoU and Indonesian education regulations and laws</p>

<p>3. Does Indonesia still have the authority to regulate its education?</p>	<p>the development of Indonesia and for its education.</p> <p>Hypothesis 7: Having American provided education in Indonesia will lead to the homogenisation of the Indonesian education curriculum, through the transfer of American culture and values.</p> <p>Hypothesis 8: Through the exercise of educational sovereignty, the Indonesian government retains sufficient control over its national education curriculum such that it is not subject to homogenisation.</p> <p>Hypothesis 9: The creation of hybrid education programmes diminishes Indonesia's educational sovereignty.</p> <p>Hypothesis 10: The creation of hybrid education programmes does not diminish the Indonesian government's ability to maintain its culture and values.</p>	<p>Interviews with government officials, rectors and vice-rectors, directors of international offices, deans, vice-chancellors, presidents and vice-presidents of Public-Private-Partnership providers, and research managers</p> <p>Relevant documents, such as MoU and Indonesian education regulations and laws</p>
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Stake argues that analysis of qualitative data is a way of ordering and making sense.²²⁴ He recommends several steps which ensure the systematic and comprehensive analysis of qualitative research data:²²⁵

1. Directly interpret data from the interview;
2. Identify patterns from the data. According to Stake, sometimes patterns will be known in advance. Sometimes the patterns will emerge unexpectedly;²²⁶
3. Analyse the common themes;
4. Link these common themes to the propositions, and triangulate with secondary data;
5. Explicate the criteria by which findings are to be interpreted. In this study, relevance (Were the responses or answers relevant to the study?) and effectiveness (Was the core of what the respondents said worthwhile for the study?) are the criteria;
6. Draw a tentative conclusion;
7. Link the tentative conclusion to the propositions.

Following the interviews, the audio recordings were transcribed. Patterns within the responses were then identified. This process involved reading and re-reading the transcripts. Themes were identified and highlighted. The common themes were identified from their multiple uses and from the emphasis on certain words and expressions, such as, “the relationship is not for political gain”, “we have our own identity”, “our identity must not disappear”, “mutually beneficial”, and “equality”. These common themes were linked to the propositions and were analysed and triangulated with secondary data.

²²⁴ Stake, (1995), 72.

²²⁵ Ibid.

²²⁶ Ibid, 78.

Two essential criteria were applied for the purpose of interpreting the findings: relevance and effectiveness. In general, the responses or the answers of the respondents to the interview questions were relevant to the study. Similarly, the core of what the respondents stated was generally productive. However, there were two unproductive interviews because two respondents, although having had first-hand experience in transnational education (education exchanges with Japan), did not have a knowledge of the education exchange between the US and Indonesia. As a result, the researcher located two other participants. The features of educational sovereignty and the loss of educational sovereignty were also criteria which guided the interpretation of the findings.

Tentative conclusions were drawn after interpreting data and linking the data to the propositions, and then triangulating the interview data with secondary data. These tentative conclusions provide answers to the research question, and determine whether or not the proposition stands.

3.6 Ethical considerations

There are several rationales for ethical requirements. As the researcher engaged in research as an outreach of her study at the University of Waikato, professional conduct is important to maintain the reputation of the university. Ethical requirements enabled the researcher to prepare and plan her research activity, and ensured there was mutual agreement with the interviewees regarding the way any gathered information might be used.

This research was carried out in a real world situation and involved communication with the people whom the researcher would eventually interview. For these reasons, the ethical considerations were to ensure:²²⁷

²²⁷ Richard Winter outlines some principles applicable in research. See Richard Winter, *Action Research and the Nature of Social Inquiry: Professional Innovation and Educational Work* (Aldershot: Gower Publishing company, 1987).

1. The relevant persons and authorities were consulted, and principles guiding the work were agreed and accepted by all participants;
2. Confidentiality of the participants was maintained. Although of the 22 respondents, 17 respondents did not seek anonymity, this research uses the designation of 'Respondent' (Respondent 1, Respondent 2, Respondent 3, and so forth);
3. Records of the interviews are to be stored in a secure file for two years (from the end of the PhD study). After two years, the information will be destroyed.

All respondents accepted the principles guiding the work, as stated in the ethical approval. One concern arose, however; what are the political implications for the respondents when their findings are published? Two Indonesian respondents and two American respondents were concerned if there were political implications for them, on the education relationship, once the research findings were published. In addressing this concern, the researcher assured the participants that they had given the opportunity to withdraw from the interview, and that their confidentiality and anonymity were assured. The researcher also assured the participants the right of access to the thesis publication or monograph if they so requested. The researcher emphasised that the researcher's intention is to understand better the issues in transnational education in general and the Indonesia-US education relationship in particular, and that eventually the researcher can make recommendations that will lead to improvements in the education relationship between Indonesia and the US.

3.7 Validity and reliability

To provide confidence in the validity of results, data were triangulated from different sources and different people. As mentioned, in addition to interviews, primary data which were necessary for the purpose of

triangulation were obtained from documents such as news media and official websites. Secondary data from prior research and media were also required for the purpose of triangulation. This is to say that events or phenomenon of the case study had been supported by more than a single source of evidence.²²⁸

There are four criteria for data triangulation:²²⁹

1. The use of the existing resources is relevant and appropriate for the research topic;
2. Any twisting or selection of the facts in the sources used, has been taken into account;
3. The sources which describe a particular incident or case reflect the general situation;
4. The context of the source is relevant.

The researcher strove to gather material from a variety of sources in order to check one against another. Comments from the interview were triangulated with relevant documents for the validity of the data. Triangulation was also conducted within documents, and any twisting or inconsistencies were identified and taken into account. There were minor inconsistencies between documents and data from the interview, for example, although several MoUs state explicitly that external funding may be sought from the World Bank, two interviewees clearly opposed the role of the World Bank in financing education in Indonesia. There were also minor inconsistencies within documents, for instance, the guideline for writing non-binding documents such as MoUs advises that “non-binding documents do not mention or reference the equal authenticity of different language versions”.²³⁰

²²⁸ See Yin, (1994), 99 for triangulation.

²²⁹ Punch, (2005), 185.

²³⁰ U.S. Department of State, “Guidance on Non-binding Documents,” <http://www.state.gov/s/l/treaty/guidance>.

Yet, the research did bring to light MoUs which mentioned the equal authenticity of different language versions.

For the reliability of data, this study adopts Yin's guidelines for reliability:²³¹

1. This study made sufficient citation to the relevant portions of the case study database, by citing specific documents and interviews;
2. Circumstances, under which the evidence was collected, such as the sampling procedures, were indicated;
3. The design of the research addressed the research questions.

3.8 Concluding remarks

This chapter has outlined the methodology used in proceeding with the research, and how data were analysed. It has provided a rationale for the selection of case study, the design of the single case study, sampling, data analysis, and issues for ethical consideration. This chapter has also outlined steps taken to enhance the validity and reliability of this research.

In spite of the advantages of single case study's ability to provide an analysis of context and process which illuminate the theoretical issues, and allow in-depth investigation by using different methods to collect various kinds of information, there were also concerns that needed to be taken into account.

Yin's warning on the pitfall of embedded single case study must also be taken into account. Instead of focusing only on the units of analysis, the researcher makes comparisons within the units of observation, and linked the comparisons with the larger single case study, which is the Indonesia-US education relationship.

²³¹ Yin, (1994), 105.

Not only must the weaknesses of the case study be taken into account, and thus treated carefully, one ethical concern must also be taken into account, such as if there are political implications for the respondents when the findings are published. In addressing this concern, the researcher's intention to promote the interests of others was indicated and emphasised.

CHAPTER IV

HISTORICAL AND POLITICAL BACKGROUND OF POST-SECONDARY EDUCATION IN INDONESIA

4.1 Introduction

As set out in chapter 2, this thesis assesses propositions concerning the extent to which transnational education may be seen as diminishing educational sovereignty, with particular reference to Indonesia. Consequently, it is necessary to understand the political and historical background of education in Indonesia in seeking to understand the importance of sovereignty in education. This chapter provides the setting for understanding the development of post-secondary education in Indonesia.

As stated in chapter 2, this thesis focuses on post-secondary education, with both primary education and secondary education being outside the scope of the GATS.²³² Post-secondary education refers not only to university degree and sub-degree levels of education but also to non-university qualifications, such as apprenticeships and trade certificates.²³³

Major developments and issues facing Indonesia's post-secondary education since the Dutch colonial era are discussed in this chapter. Section 4.2 surveys the legacy of colonialism on education in Indonesia, a legacy which has both benefitted and complicated Indonesia's education problems. Section 4.3 examines Indonesia's post-secondary education policies from 1945-1965. Section 4.4 presents an overview of Indonesia's post-secondary education

²³² As some authors in international education note, basic education is the responsibility of the state. However, a lucrative market is created as the public sector struggles to keep up with the growing demand for higher education. See Pierre Sauve, (2002); Pereira, (2005); Adlung, (2006).

²³³ WTO, "Education Services-WTO," <http://www.wto.org>; Statistics Canada, "Definition of Post-secondary Education," <http://www.statcan.gc.ca>.

policies from 1965-1998. An outline of the present post-secondary education system is presented in section 4.5. Conclusions are drawn in section 4.6.

4.2 The legacy of the colonial era (1500-1945)

During the period of Dutch colonialism, the Indonesian system was shaped with a focus on providing education to aristocrats and nobles.²³⁴ From 1830, however, Dutch mission-based education, *Netherlands Zendeliggennootschap*, was developed alongside the aristocracy-focused system, to provide education for the children of the Indonesian lower classes.²³⁵ The Dutch opened colleges, such as a school of medicine for Javanese in 1849 (It is now the University of Indonesia.), a technical college (*Technische Hooge*) in Bandung in 1920, a law college in Batavia in 1924, and a medical college in Batavia in 1927 to fulfil the need for trained professional people and engineers to serve the Dutch.²³⁶ The development of these institutions was also reinforced by a statement of Queen Wilhelmina in the *Ethische Politiek* (Ethical Policy) of 1901 claiming that the Netherlands had a moral duty to eliminate poverty and to improve the welfare of people in its colony, Indonesia.²³⁷

The fall of the Netherlands in 1940 to Germany presented the opportunity for the Japanese to invade Indonesia. They closed all post-secondary education institutions and banned the Dutch language that had been

²³⁴ This privilege of education, however, succeeded in producing graduates both in Indonesia and in the Netherlands who became aware of the political situation in Indonesia. See Justus Van der Kroef, "Higher Education in Indonesia," *The Journal of Higher Education*, 26 (1955): 366-377. Mochtar Buchori and Abdul Malik, "The Evolution of Higher Education in Indonesia," in *Asian Universities: Historical Perspectives and Contemporary Challenges*, eds Philip Altbach and Toru Umakoshi, (Baltimore, Maryland: The John Hopkins University Press, 2004).

²³⁵ Robert Cribb and Audrey Kahin, *Historical Dictionary of Indonesia* (Lanham, Maryland: Scarecrow Press, 2004); Erica Tagliacozzo and Tineke Hellwig, *The Indonesia Reader: History, Culture, Politics* (Durham, North Carolina: Duke University Press, 2009).

²³⁶ Van der Kroef (1955); Buchori and Malik (2004).

²³⁷ PVD Eng, *Southeast Asia: A Historical Encyclopedia for Angkor Wat to East Timor* (Santa Barbara, California: ABC-CLIO, 2004).

the language of instruction.²³⁸ The Japanese, unlike the Dutch, used bahasa Indonesia (the Indonesian national language) as the language of instruction. Although the Japanese closed all post-secondary education institutions that had existed during the era of Dutch colonialism, in 1944 the Japanese reopened the technical college (*Technische Hooge*) in Bandung to serve the Japanese military, and renamed it *Kogyo Daigaku*. One influential military training programme was PETA (*Pembela Tanah Air* or Defender of the Motherland). PETA aimed to use Indonesians in the front line in battle. Mohammad Hatta, a former vice-president, believed that PETA could be used by Indonesians as training for Indonesians to fight against the Japanese and the Europeans.²³⁹

Overall, both the Dutch and the Japanese used education for the purpose of serving their respective needs. The Dutch opened up education institutions to fulfil the need for trained professionals to serve the Dutch, and the Japanese used the military training programme (PETA) for training Indonesians for front line battle. The history of Dutch colonialism, followed by the Japanese invader's control during World War II, however, complicated the development of post-secondary education in Indonesia, which is discussed next.

²³⁸ Merle Calvin Ricklefs, *A History of Modern Indonesia since c.1200* (Stanford, California: Stanford University Press, 2001); Robert Cribb and Audrey Kahin, *Historical Dictionary of Indonesia* (Lanham, Maryland: Scarecrow Press, 2004); Erica Tagliacozzo and Tineke Hellwig, *The Indonesia Reader: History, Culture, Politics* (Durham, North Carolina: Duke University Press, 2009); Mochtar Buchori and Abdul Malik (2004), 254.

²³⁹ It is not surprising, when the Dutch attempted to re-colonise Indonesia at the end of 1945, that Indonesia was able to resist. Amy Van de Ryt; USINDO, "The Origin of the Indonesian Nation: The Indonesian Revolution of 1945-1949," last modified June 30, 2012, <http://www.usindo.org/resources>.

4.3 Post-secondary education development and policies from 1945-1964

4.3.1 The development of Indonesian post-secondary education institutions

Following Indonesia's independence in 1945, nationalist fervour was at a high point, as was the desire for the establishment of universities. Between 1946 and 1950, two private universities were established: the Indonesian Islamic University, in Yogyakarta (1946); and the National University, in Jakarta (1949). The University of Indonesia, established during the Dutch colonial era, was added to with the forming of another state university, the University of Gajah Mada in Yogyakarta, in 1949. In 1950 Dutch control of the University of Indonesia ended: the Indonesian Ministry of Education and Culture took control of the university and became the immediate supervising authority.

The pressure for advancement also saw progress in the development of post-secondary education institutions, and an increase in enrolments. State post-secondary education institutions were established in Java. These included the University of Airlangga (1954), the Bandung Institute of Technology (1959), and the Bogor Institute of Agriculture (1963). Three training colleges for teachers and private universities were also established in Java. These included Krisnadwipayana University in Bandung (1952), the Indonesian Christian University in Jakarta (1953), and Tarumanegara University in Jakarta (1959). From 1950-1952 the number of student enrolments in both private and state post-secondary education increased from 5,200 in 1950 to 10,000 in 1952.²⁴⁰ It increased sharply from 60,000 students in 1960 to 108,000 in 1961.²⁴¹ (See appendix F for the figures of growth of enrolments from 1960 to 2010.)

²⁴⁰ In A. Purwadi, "Impact of Economic Crisis on Higher Education in Indonesia," in *Impact of the Economic Crisis on Higher Education in East Asia* (Paris: IIEP/UNESCO, 2001).

²⁴¹ By 1980, the enrolments reached 543,175. See Purwadi, (2001).

Overall, the development of Indonesian post-secondary education from 1945 to 1964 is marked by the establishment of both state and private post-secondary education institutions. Further aspects that marked this development, such as the legislative provision, are outlined next.

4.3.2 The provision of education legislation

The 1945 constitution had provided the background for legislative provision in education. In article 31, it stipulated that “(1) Every citizen has the right to education; (2) The government shall establish and conduct a national education system which shall be regulated by law”. The government, therefore, has a mandate to provide citizens with access to education, and maintains the prerogative to regulate national education.

One important development was the 1961 law on higher education which gave a framework for post-secondary education, such as the division of faculties and the structure of governance. The 1961 law had also introduced *Tri Darma Perguruan Tinggi* (three pillars of service of higher education): education, research, and community service. The mission of post-secondary education was to encourage the expansion of post-secondary education institutions, and promote research and community service for Indonesia’s development.

4.3.3 Indonesian institutions involved with the United States

Foreign education and aid agencies from 1950 to 1964 marked an important change in the role and development of post-secondary education as Indonesia was opened up to foreign education and aid. Indonesia and the US first started working together in the 1950s when they signed their first economic and technical cooperation agreement. It aimed to address Indonesia’s request for assistance to overcome food shortages, to solve critical health

problems, and to modernise the country's transportation facilities.²⁴² In the 1950s, Indonesia sought foreign aid, mostly from the US and the British Commonwealth, although tensions grew when the US supported rebels against Sukarno. President Sukarno then declared that the US could, "go to hell with its aid" then approving the formation of the Jakarta-Pyongyang-Hanoi-Peking-Phnom Penh alliance, and accepting scholarships and aid from the Soviet Union.²⁴³

American aid for education, however, played an important role in the educating and training of Indonesian diplomats. Since the 1950s, Indonesian social scientists had been funded to study in the US under American scholarship programmes, including the Ford and Rockefeller foundation scholarship programmes. Many of the social scientists graduated from the University of California at Berkeley, Cornell University, and Ohio State University.

American education, however, was influential. In 1957/1958, in a total of 16 Indonesian universities, there were 31 professors from the United States, eight from the United Kingdom, three from the Netherlands, one from Germany, one from Italy, and one from Yugoslavia. American educators were also influential. In 1959, for instance, 157 medical doctors graduated from the University of Indonesia, where the US had trained the staff and redesigned curriculum for the medical student's training.²⁴⁴

American education was considered by the Indonesian government to be necessary for the training of its foreign diplomats in the mid-1960s. In addition, American text books and literature were extensively used. Foreign

²⁴² Thomas Lum, "U.S. Foreign Aid to East and South Asia: Selected Recipients," CRS Report for Congress, last modified October 5, 2013, <http://www.fpc.state.gov/documents/organization/81357.pdf>.

²⁴³ Ann Murphy, "Strategic Posture Review: Indonesia," *World Politics Review*, September 20, 2011.

²⁴⁴ Robert Murray Thomas, *A Chronicle of Indonesian Higher Education* (Singapore: Chopmen Enterprises, 1973).

agencies and education institutions such as John Hopkins University, the Ford Foundation, the US State Department, USAID, and the British Council also played a role in financing education. US agencies, in particular, played a significant role in accelerating the growth in numbers of Indonesians educated in the US, and in the adoption of the American education system within the Indonesian education system. Funded by Ford Foundation, Indonesians who studied at the University of California, Berkeley, served as economists during the Suharto era and were successful in bringing Indonesia back from the brink of ominous economic circumstances. US foreign education was indeed influential.

Clearly, among foreign education providers, American education was dominant in Indonesia. With American financial assistance, many emerging Indonesian economists and social scientists were educated in the US. Consequently, American education influenced the Indonesian education system, which is outlined next.

4.3.4 Indonesian post-secondary education curriculum development

In the period from 1945-1964 post-secondary education curricula focused on the nation's culture, citizenship, and the state ideology of Pancasila. At university level, in addition to national culture, citizenship, and the state ideology of Pancasila, international relations were included in the curriculum.

The replacement of the Dutch education system was divisive. In legal education at the University of Indonesia, for instance, there was controversy over whether the Dutch legal system should be used. Although the opponents preferred Indonesian *adat* or customary law, the proponents argued that the Dutch system was Western, and the Indonesianisation of legal education would evoke anti-Western sentiments at a time when Western professors were still needed.

An important development in post-secondary education curriculum was the introduction of a credit system, and the preference for the English language as opposed to Dutch. The application of the American education system was preferred by the government because clear regulations would be essential for the improvement of the quality of education in Indonesia. Although the American education credit system was introduced, both state and private post-secondary education used the Indonesian Constitution of 1945 (UUD 1945) as the foundation of Indonesian national post-secondary education. The credit system, nonetheless, was not fully implemented until the Suharto era.

4.3.5 Summary

The Dutch had left both positive and negative legacies to a newly independent Indonesian state. The establishment of a school of medicine for Javanese (today the University of Indonesia) was a positive legacy of the Dutch. Yet, at least one aspect complicated the Indonesian education system. It was debated for example, whether Dutch colonial law should be included in Indonesian legal education and training.

From 1947 to 1964 there were four noticeable aspects in the development of Indonesian post-secondary education: the expansion of both state and non-state (private) post-secondary education institutions; the establishment of the law in higher education in 1961, and the introduction of the three pillars of service of higher education; the expansion of Indonesia's relationship with foreign education institutions and their agencies, and adoption of an American education curriculum that functioned to train Indonesian foreign diplomats; and the introduction of an academic credit system which was borrowed from the American education structure. The emphasis on national identity and state ideology of Pancasila, nonetheless, continued to be a strong influence over the following years.

4.4 Post-secondary education development and policies from 1965-1998

4.4.1 The development of Indonesian post-secondary education institutions

During the Suharto regime (1965-1998), state security was the main priority, as Suharto emphasised a strong state was essential to maintain stability and to silence opposition groups.²⁴⁵ Education institutions ironically played a significant role in both maintaining stability and in the deprivation of liberty by silencing voices of dissent. At the post-secondary level, education was subordinated to central government, and had the task of supporting the policies of central government. The domination of central government was evident through the implementation of *Normalisasi Kehidupan Kampus* (NKK) or Normalisation of Campus Life. In this doctrine, students were not allowed to engage in political activities, as even minor activism was regarded as threatening to national stability.²⁴⁶ In addition to the prohibition of political activities, student union organisations, and the teachings of Marxism and neo-Marxism were banned under the Normalisation of Campus Life doctrine.

To establish and maintain economic stability and hence state security, education was aimed at economic development. Education was a means of preparing the human capital required for Indonesia's envisioned economic progress. Between 1975 and 1985, the then Ministry of Education and Culture prioritised engineering, as it had vital implications for both regional and national infrastructure and industry development.²⁴⁷

²⁴⁵ Abubakar H. Hara, "Promoting Women Security as Human Security: Indonesian Women Attempt to Find their Place in the Newly Indonesia Democracy," <http://www.humansecurityconf.polsi.chula.ac.th/Documents/.../Abubakar.doc>.

²⁴⁶ NKK was based on presidential decree number 0156 of 1978. A.H. Syarief, *Curriculum Development* (Pasuruan: Bauna Indah, 1993); Nana Syaadih Sukmadinata, *Curriculum Development: Theory and Practice* (Bandung: PT Remaja Rosdakarya, 1997); Vedi Hadiz and Daniel Dhakidae, *Social Science and Power in Indonesia* (Singapore: Equinox Publishing, 2005).

²⁴⁷ See DIKTI, "Long term framework for developing higher education 1996-2005," last modified June 9, 2012, <http://www.dikti.org/kpptjp.html>.

As a result of the government's emphasis on economic development, the demand for post-secondary education increased. The post-secondary education sector developed not only universities but also academies, advanced schools, institutes, and polytechnics. The advanced school or *sekolah tinggi* trained one specialised subject at the post-secondary level. The academy provided post-secondary professional training of one specialised major. Unlike the advanced school and academy, polytechnics and universities were designed and established to train in multiple subjects.

Student enrolments in post-secondary education increased from 150,000 in 1965 to 206,800 in 1970.²⁴⁸ In 1975, student enrolments declined to 200,000. Private post-secondary education institutions also increased from 400 in 1975 to 1200 in 1995, most of them being located in Java.²⁴⁹ In 1980, the enrolments reached 543,175. In 1985, student enrolments were 1,500,000, and by 1990 student enrolments in post-secondary education had increased to 1,590,593, predominantly at private institutions (approximately 1,000,000 students at private institutions and the remainder at state institutions).²⁵⁰ In 1994, student enrolments increased to 2.25 million, predominantly at private post-secondary education institutions (1.4 million students). In 1995, student enrolments reached 2,650,000.²⁵¹ By 1998, out of 1526 Indonesian post-secondary education institutions, 1,449 were private.²⁵² By 1998, student

²⁴⁸ Purwardi, (2001).

²⁴⁹ S. Pardoen, 1998, "Assessment of Private Investment in Private Higher Education in Indonesia: The Case of Four Private Universities," *Centre for Societal Development Studies*, (Jakarta; Atmajaya Catholic University, 1998).

²⁵⁰ Ibid.

²⁵¹ Purwadi, (2001); Pardoen, (1998); Buchori and Malik, (2004); Mohammad Fahmi, "Indonesian Higher Education: The Chronicle, Recent Development, and the New Legal Entity Universities," <http://www.lp3e.fe.unpad.ac.id>.

²⁵² A.R. Welch, "Blurred Vision?: Public and Private Higher Education in Indonesia," *Higher Education* 54, (2007):676.

enrolments reached 2,480,662, and 1,519,151 of these students were enrolled at private institutions.²⁵³

There were, however, some periods of declining numbers of enrolments. Student enrolments at post-secondary education institutions decreased from 206,800 in 1970 to 100,000 in 1975, and from 2,250,000 in 1994 to 1,400,000 in 1995.²⁵⁴ One reason for the decline in enrolments, commonly argued by Indonesian scholars and political observers, related directly to the government's inability to provide adequate education funding.²⁵⁵

It is clear that during the Suharto era, education institutions were dominated by central government. There were two important corollaries of this domination at post-secondary education level: student protest activities were curtailed and Marxist doctrines were forbidden, and student enrolment increased as economic development was prioritised, promoted and underscored by the government.

4.4.2 Indonesian post-secondary education curriculum development

During Suharto's presidency, the government's strict control over post-secondary education was evident in the chosen focus of subject areas, the inclusion of the state doctrine of Pancasila in the curriculum, and in the establishment of faculties for their specific subjects. Under Suharto, engineering and social sciences were emphasised by the government. According to Hadiniwata, engineering has strong connections with Indonesia's development, and the social sciences were regarded as essential for serving the state in various developing areas such as politics, education, culture, law, and

²⁵³ A.R. Welch, "Blurred Vision?: Public and Private Higher Education in Indonesia," *Higher Education* 54, (2007):676.

²⁵⁴ Purwardi, (2001).

²⁵⁵ Satryo Brodjonegoro (n.d.) "Higher Education Reforms in Indonesia, last modified August 28, 2012, <http://www.worldreform.com>.

morality.²⁵⁶ Many Indonesian scholars regarded the social sciences as an instrument to maintain the government's power.²⁵⁷

In maintaining stability or *ketahanan nasional*, the Pancasila doctrine and the Indonesian constitution (UUD 1945) were reinforced through the education curriculum. Pancasila was a compulsory subject from elementary school to post-secondary levels. During Suharto's presidency, the principles of Pancasila and UUD 1945 were memorised and recited every Monday before schools started. Through the edification of Pancasila and UUD 1945, tolerance among diverse religious and ethnic groups was reinforced in the interests of national stability. The importance of Pancasila and the Constitution of 1945 were reflected in the national curriculum of 1968 with its focus on *Pancawardhana*, or education based on Pancasila and science for creating loyal, conscientious, and well trained citizens.

The government controlled the post-secondary education curriculum through the *Nasional Kurikulum* (KURNAS) or National Curriculum, and this control over curriculum was evident in the establishment of categories of courses: *Mata Kuliah Dasar Umum* (MKDU) or general basic subjects, *Mata Kuliah Dasar Keahlian* (MKDK) or specialist basic subjects, and *Mata Kuliah Penunjang* (MKDP) or supporting subjects. MKDU included religion, Pancasila, civic education, and the sciences. MKDK and MKDP included core subjects for selected disciplines. For instance, for sociology, MKDK included introduction to political science, research methods in social science, the Indonesian social system, classic sociology theory, modern sociology theory, the development of sociology, and the sociology of industry.²⁵⁸ Both private and state post-secondary education institutions were required to conform to these categories.

²⁵⁶ Bob Hadiniwata, "International Relations in Indonesia: Historical Legacy, Political Intrusion, and Commercialization," *International Relations of the Asia Pacific*, 9 (2009): 55-81.

²⁵⁷ Ignas Kleden, "Alternative Social Science as an Indonesian Problematique," *New Asian Visions*, 3 (1986): 6-22; Hadiniwata, (2009).

²⁵⁸ Vedi R. Hadiz and Daniel Dhakidae, *Social Science and Power in Indonesia* (Jakarta: Equinox Publishing, 2005).

Any deviation from this conformity would put the establishment at risk of the down-grading of accreditation status.²⁵⁹

It is clear that the government's control of the education curriculum was evident not only in the content of the education curriculum but also in the structuring and in establishing categories of courses.

²⁵⁹ Hadiniwata, (2009).

4.4.3 The provision of education legislation

As a result of the government's emphasis on economic development, the demand for post-secondary education increased, and, consequently, the government developed guidelines and a framework for the national education regulations. The 1945 constitution provided the background for the legislative provision for education, in which the government, "shall establish and conduct a national education system which shall be regulated by law". The Ministry of National Education, the Ministry of Religious Affairs, and the Directorate General of Higher Education or *DIKTI* acted as regulators. In 1968, both the Ministry of National Education, and the Ministry of Religious Affairs issued regulation 1/PK/1968 that facilitated the establishment of *Kordinasi Perguruan Tinggi Swasta* (KOPERTIS) or Coordination of Private Higher Education Institutions.²⁶⁰ KOPERTIS was established in order to ensure that post-secondary education institutions conformed to the education regulations. In meeting the demand for post-secondary education, in 1975, *DIKTI* established a framework which provided guidelines to standardise the national education system at post-secondary level. To regulate the structure of credit hours, the national education law was established in 1989. The American education's system of credit hours was then fully institutionalised. In 1990, national education law number 30 legitimated the expansion of private education institutions. The government also employed several mechanisms to ensure post-secondary education quality would be improved through the *Pengembangan Pendidikan Sarjana* or Development of Undergraduate Education, *Kualitas Pendidikan Sarjana* or Quality of Undergraduate Education, and *Teknologi dan Pengembangan Profesional Ketrampilan* or Technological and Professional Skills Development.²⁶¹ Through the Indonesian National Accreditation Board, established in 1994, information is provided on the

²⁶⁰ Welch, (2007).

²⁶¹ Satryo Brodjonegoro, "Higher Education Reform in Indonesia," <http://www.worldedreform.com>.

quality of post-secondary education performance. Indonesia's priorities for quality at post-secondary education level comprise curriculum, academic development, teaching and learning methodology, students, and facilities.²⁶²

The government sought to control both state and private post-secondary education. Through government regulation 30 of 1990 or *Peraturan Pemerintah* (PP) 30, the government took an absolute hold on the management of the institutions.²⁶³ In 1994 the Directorate General of Higher Education established *Badan Akreditasi Perguruan Tinggi* (BAN-PT) or the National Accreditation Board for Higher Education charged with the task of conducting academic assessments and evaluations of post-secondary education institutions.²⁶⁴

To summarise, what the government sought from post-secondary education was met through the legislative provision. Through 1/PK/1968, post-secondary education institutions were required to conform to the education regulations. Through PP 30, the government controlled the management of both state and private post-secondary education institutions. Through the national education law of 1989, the system of credit hours was institutionalised as the application of the American education system was considered by the government to have clearer structures and regulations. The education law of 1990 facilitated the growth in the number of private post-secondary education institutions. Indeed, the government had been able to develop guidelines and a framework for national education regulations, and although the constitution gave government authority to establish and regulate a national education

²⁶² As indicated in the interviews. Also see Nirwan Idrus, "Transforming Quality for Development," *Quality in Higher Education*, 9 (2003): 141-150.

²⁶³ Government Regulation number 30/1990, <http://www.bpkp.go.id> Also see Nirwan Idrus, "Towards Quality Higher Education in Indonesia," *Quality Assurance in Education*, 7 (1993): 134-141.

²⁶⁴ A ministerial decree of 1998 and the National Education Act of 1989 were the basis of BAN-PT.

system, the government chose to adopt and institutionalise the American system of credit hours.

4.4.4 Foreign involvement in education, and Indonesian institutions involved with the United States

With the emphasis on economic development, foreign aid and loans were considered necessary by the Indonesian government. Suharto re-established relationships with the Western world (the relationship which had suffered during Sukarno's presidency) and welcomed foreign aid to Indonesia. In the 1980s, the World Bank played a significant role in funding Indonesian education through the Ministry of Education and Culture.²⁶⁵ The World Bank also financed Pusat Antar Universitas (PAU) or the Inter-university Centre. PAU had a significant role not only in assisting private and marginalised state universities but also in providing research funds and was the source of additional income for new academics who could now be employed and engaged to carry out essential research.²⁶⁶ In addition to the World Bank, donors such as the Harvard Institute for International Development (HIID) played a significant role in giving technical assistance and education aid.²⁶⁷

Relationships with the Western world were not confined to loans and foreign aid for education. Between 1997 and 1998, many Indonesians studied overseas both on scholarships and by fee paying. The five main destinations for Indonesian students were: the US (with 15,000 Indonesians); Australia (14,000); the UK (2,000); Japan (1,100); and, the Netherlands (400), with particular

²⁶⁵ Hadiz and Dhakidae, (2005).

²⁶⁶ Ibid.

²⁶⁷ The implementation of financial deregulation as a condition attached to loans from International Financial Institutions (IFIs) such as the World Bank, Asian Development Bank (ADB) and the International Monetary Fund (IMF), and technical assistance from the HIID in the 1980s, raised controversies as, not only were such conditions regarded as a violation of sovereignty among Indonesians, but they were also regarded as a means of exploitation. See Casen and Associates 1986; Chowdhury Anis and Imam Sugema, "How Significant and Effective has Foreign Aid to Indonesia Been?," *ASEAN Economic Bulletin*, 22 (2005): 186-216.

interest in English language programmes, engineering, business administration, aviation, and hotel management.²⁶⁸

During the Suharto era, the Indonesia-US post-secondary education relationship maintained its influence. Not only were there many graduates from the University of California at Berkeley, Cornell University, and Ohio State University; textbooks on international relations written by American scholars, such as Kenneth Waltz, H. J. Morgenthau, and George F. Kennan, also became the preferred standard texts.²⁶⁹ Realism then became predominant in Indonesian thought surrounding international relations, and in the teaching of international relations at Indonesian universities.

Overall, Suharto not only welcomed foreign aid and loans but was also able to re-establish relationships with the Western world, particularly with the US, relationships which had suffered under Sukarno.

4.4.5 Summary

During the Suharto era, economic development, state security, and stability were a priority focus of government, with post-secondary education playing a defining role in Indonesia's economic development and stability. Education was an essential instrument for creating the human capital necessary for Indonesia's development. Education was also instrumental in maintaining stability by promoting and proclaiming the state doctrine of Pancasila in the curriculum.

The government's control over education was evident in the content of the education curriculum. The 1945 constitution had provided the foundation for legislation regarding education, handing the government the authority it needed to establish and conduct a national education system.

²⁶⁸ Marieke Van Heek, "Holland Attracting Few Indonesian Students," *The Jakarta Post*, June 2, 1998. Also see *The Jakarta Post*, "US Most Popular Foreign Study Destination", February 26, 1997.

²⁶⁹ Hadiniwata, (2009).

During the Suharto era, the Indonesia-US relationship in education continued to inform the government's choices, evident in the willingness of the government to accept technical assistance from the Harvard Institute for International Development. The American structure of credit hours was adopted and institutionalised, and the textbooks authored by American scholars on Indonesian international affairs were influential as a result of many Indonesians having studied and graduated in the US.

4.5 Indonesia's post-secondary education system, its development and policies from 1999 to the present

4.5.1 The development of Indonesian post-secondary education institutions

Currently, there are more than 3,449 post-secondary education institutions in Indonesia.²⁷⁰ This represents an increase from 2,316 in 2004 when there were 2,235 private and 81 state post-secondary education institutions (academies, institutes, universities, polytechnics, and advanced schools. As a result of Education Law 30 of 1990 recognising private post-secondary education, private education institutions have indeed expanded in number. With regard to the enrolments there were 3,400,000 students enrolled in 2001, of which 1,900,000 were enrolled at private institutions. In 2005, the enrolments reached 3,500,000. By 2010, there were 5,000,000 students enrolled, and about 60% of all students were enrolled at private institutions.²⁷¹

Of the 3,449 post-secondary education institutions, only 49 are state universities. Of the 49 state universities, 7 are regarded as 'elite'. Access to

²⁷⁰ Purwardi, (2001); Buchori and Malik, (2004); Welch, A. R. "Blurred Vision?: Public and Private Higher Education in Indonesia." *Higher Education* 54 (2007): 665-687.

²⁷¹ See <http://edukasi.kompas.com/inilah.lima.waja.indonesia>. Also see Wicaksono, Teguh, and Deni Friawan. "Recent Development in Higher Education in Indonesia: Issues and Challenges." *Financing Higher Education and Economic Development in East Asia*, eds. Shiro Armstrong and Bruce Chapman (Canberra: ANU Press, 2011).

these seven universities demands scholarly merits of the students, and these universities boast international rank. These seven elite state universities are all located in Java Island, where 60% of Indonesia's population lives. They include the following: University of Gajah Mada in Jogjakarta, University of Indonesia in Jakarta, University of Airlangga in Surabaya, and University of Diponegoro in Semarang, Bandung Institute of Technology, Bogor Institute of Agriculture, and University of Pajajaran. According to the latest world ranking of universities, published by Quackquarelli Symonds (QS), the Bandung Institute of Technology (ITB) is ranked eighty-second in the world, and thirteenth in Asia.²⁷² By subject, ITB is 109th in engineering and technology in the world.²⁷³ The University of Indonesia is ranked 273 in the world, and thirty-seventh in Asia. By subject, the University of Indonesia is ranked number 122 in social sciences, 142 in arts and humanities, and 162 in medicine and life sciences. The University of Gajah Mada is ranked 69th in Asia.

Unlike state post-secondary education institutions, which are highly esteemed, many Indonesians consider private post-secondary education to be academically weak, as many of those who fail to gain entry to state institutions subsequently enter private post-secondary education. Yet, private post-secondary education continues to dominate the post-secondary education market. Hardihardaja has stated that the government's reason for expanding private post-secondary education institutions was:

...the result of an overflow of high school graduates who could not be accommodated in the existing public higher educational institutes...the government needs to boost the private sector's participation in the development

²⁷² [Http://www.4icu.org](http://www.4icu.org).

²⁷³ See <http://www.qs.com> Also see Erwida Maulia, "MIT Tops Rankings for the First Time, Indonesia Universities' Positions Drop," <http://www.thejakartaglobe.com>.

of the country's education as part of an effort to cover the limited education funds²⁷⁴

Unlike private education institutions, state post-secondary education institutions are funded for the most part by government subsidies. They are also financed from student fees, collaboration with the private sector, and support from donors and charities. Although private post-secondary education institutions also receive support from donors and charities, they are funded mainly through student tuition fees.²⁷⁵

The number of post-secondary education institutions has increased significantly from 1999 to the present, and private institutions have dominated the tertiary education sector. The growth in the private post-secondary education institution, nonetheless, is due significantly to the government's recognition of private post-secondary education institutions through education, law, and the government's way of accommodating an overflow of high school graduates.

4.5.2 The provision of education legislation

In spite of the growing number of post-secondary education institutions, particularly private institutions, in 2003 the government of Indonesia agreed to open Indonesia's post-secondary education market to foreign providers. The government accordingly enacted new legislation during the Hong Kong Round of the WTO and agreed that Indonesia would offer access to its education market but would restrict the commercial presence of foreign providers.²⁷⁶

²⁷⁴ J. Hardihardaja, "Private Higher Education in Indonesia: Current Developments and Existing Problems," in *Private Higher Education in Asia and the Pacific*, eds Wongsothorn Tong-In and Yibling Wang (Bangkok: UNESCO, PROAP and SEAMO RIHED, 1996): 31.

²⁷⁵ Welch, (2007). Also see Teguh Wicaksono and Deni Friawan, "Recent Development in Higher Education in Indonesia: Issues and Challenges," in *Financing Higher Education and Economic Development in East Asia*, eds Shiro Armstrong and Bruce Chapman (Canberra: ANU E Press, 2011); Satryo Brodjonegoro (n.d.) "Higher Education in Indonesia," <http://www.worldedreform.com>.

²⁷⁶ There were, of course, opponents to the government's policy of opening up Indonesia's

Since the enactment of Law number 20 of 2003, regulating the National Education System, Indonesia has allowed foreign education providers to operate in Indonesia subject to a number of requirements. Not only must foreign providers partner with Indonesian education providers and Indonesian educators, foreign education providers are also required to provide courses in religion and Indonesian citizenship responsibility presented by Indonesian educators. Education services are included in the GATS under the heading of public services, which means that governments are within their rights to regulate domestic policy and are bound only by specific commitments. Foreign education providers are obligated to seek prior permission from the Indonesian Ministry of Education and the Ministry of Manpower for the operation of their services. Foreign education providers are also required to apply for a license from the Indonesian Directorate General of Higher Education within the Ministry of Education. According to presidential regulation number 77 of 2007, not only must foreign education providers established in Indonesia work in conjunction with Indonesian education providers but both must also be approved by the Ministry of Education.²⁷⁷ Being accredited by the Ministry of Education requires that both Indonesian and foreign providers comply with Indonesian customary laws. Both Indonesian and foreign providers also need to frame and ratify a Memorandum of Understanding (MoU). Indonesia's commitment to market access and to national treatment according to education modes is summarised in Table 6.

education market to foreign providers. A common perspective in academic communities has been that although foreign providers have contributed much to improving the quality of post-secondary education, agreeing with the WTO's General Agreement of Trade and Services (GATS) to liberalise education would have dire consequences on Indonesia's education system if the government did not implement regulations that would protect curriculum.

²⁷⁷ See <http://www.bkpm.go.id>.

Table 6. Schedule of Indonesia's commitments in education services under the GATS

Sub-sector	Limitations on market access	Limitations on national treatment
A. Technical and vocational secondary education services (electronics, automotive)	1. None 2. None 3. As indicated in the horizontal section (see Table 7) ²⁷⁸ 4. Unbound except as indicated in the horizontal section	1. None 2. None 3. Unbound 4. As indicated in the horizontal section
B. Post-secondary technical and vocational education services (Polytechnic machine and electrical)	1. None 2. None 3. As indicated in the horizontal section 4. Unbound except as indicated in the horizontal section	1. None 2. None 3. Unbound ²⁷⁹ 4. Unbound
C. Adult education (language courses and training)	1. None 2. None 3. As indicated in the Horizontal section 4. Unbound except as indicated in the horizontal section	1. None 2. None 3. Unbound 4. Unbound

1. Cross-border Supply (mode 1). 2. Consumption Abroad (mode 2). 3. Commercial Presence (mode 3). 4. Presence of Natural Persons (mode 4).

Source: ASEAN Framework Agreement on Services (AFAS)

This schedule of Indonesia's commitments refers to Indonesia's specific commitment to provide market access (foreign access to Indonesia's market) and national treatment (treating foreign and local suppliers equally) for the

²⁷⁸ Horizontal section refers to the restrictions on market access or national treatment across all sectors in the schedule. See <http://www.wto.org>, last modified January 15, 2013. Also see United Nations Statistics Division, <http://www.unstats.un.org/unsd/class>.

²⁷⁹ Unbound means the imposition of limitation to market access or national treatment in terms of the mode of delivery. See WTO, "Services: Schedules," last modified January 15, 2013, http://www.wto.org/English/tratop_e.

services listed in the schedule. Table 6 shows that there is no limitation on market access and national treatment for cross-border supply (the movement of education materials) and consumption abroad (the movement of people/students) modes for courses and training in language, machinery and electrical, electronics and automotive, and football and chess. The significance of this commitment is that Indonesia's service market is wide open to these courses. Table 6 also shows that Indonesia's commitment to national treatment for commercial presence mode (the presence of foreign education service providers in another state) and the presence of natural persons mode (the presence of foreign experts to provide education services) for the above courses is unbound, which means that Indonesia is able to impose limitations on foreign suppliers with respect to commercial presence (mode 3) and the presence of natural persons (mode 4). The significance of this commitment is that, while Indonesia is able to introduce or maintain commitments to national treatment for commercial presence and the presence of natural persons modes for the above courses, it is still able to declare an area exempt from some rules stipulated in the GATS. Such safeguards include barring the presence of foreign education institutions in Indonesia unless in co-operation with local institutions. The implication of this safeguard is that local education institutions are protected from competition with foreign education institutions.

Limitations on market access for commercial presence mode (mode 3) are emphasised in the schedule, as this mode has the potential to compete with local providers. The horizontal section, which establishes limitations on market access for commercial presence and the presence of natural persons modes, is shown in Table 7.

Table 7. Schedules of Indonesia's horizontal commitments

Sub-sector	Limitations on market access	Limitations on national treatment
<p><u>Horizontal commitments:</u> All sub-sectors in education included in this section</p>	<p><u>Horizontal commitments:</u> (3) Commercial presence of the foreign service providers may be in the form of joint venture and/or representative office, unless mentioned otherwise. Joint venture should meet the following requirements: a) should be in the form of Limited Liability Enterprise (Perseroan Terbatas/PT); b) not more than 49% of the capital share of the Limited Liability Enterprise (Perseroan Terbatas/PT) may be owned by foreign partner(s).</p> <p>(4) Subject to Indonesian Labour and Immigration Laws and Regulations, only directors, managers and technical experts/advisors, unless mentioned otherwise, are allowed to stay for two years, which may be extended for a maximum two times subject to two years' extension each time. Manager and technical experts (intra corporate transfer) are allowed based on an economic needs test. The entry and temporary stay of business visitor(s) is (are) permitted for a period of 60 days and may be extended for a maximum of 120 days.</p>	<p><u>Horizontal commitments:</u> (3) The Income Tax Law provides that non-resident taxpayers will be subject to withholding tax of 20% if they derive the following income from Indonesian sources: interest, royalties, dividends, and fees from services performed in Indonesia</p> <p>Land Law number 5 of 1960 stipulates that no foreigners are allowed to own land. However, a joint venture enterprise may have the right to land use (Hak Guna Usaha) and building rights (Hak Guna Bangunan, and they may rent/lease land and property.</p> <p>Any juridical and natural persons should meet professional qualification requirements.</p> <p>(4) Any expatriates employed by a joint-venture enterprise, representative's office, and/or other type of juridical person and/or an individual services provider must hold a valid work permit issued by the Ministry of Manpower and Transmigration.</p>

3. Commercial Presence (mode 3)

4. Presence of Natural Persons (mode 4)

Source: ASEAN, "Indonesia: Schedule of Specific Commitment," last modified 20 November 2012, <http://www.aseansec.org>.

Table 7 shows that Indonesia's horizontal commitments are subject to several laws: Indonesian labour law, investment law, immigration laws and regulations, land law, and income tax law, and are also subject to the authority of the Ministry of Manpower. Previously, Indonesian investment law, in particular, had restricted the presence of foreign companies operating in Indonesia which meant that foreign companies that had the potential to support Indonesian education institutions financially had been discouraged. With the presidential regulation 111 of 2007, however, foreign companies are allowed with a 49% equity limit. Under Presidential Regulation 36 of 2010, foreign investment in education is permissible, and foreign equity limits on investment in education were also removed, though foreign operators remain subject to Indonesia's education laws.²⁸⁰ This means that although Indonesia's horizontal commitment prescribes that commercial presence is not allowed, foreign investment in education is permissible in other forms, subject to Indonesia's education laws. One implication of the restriction of the commercial presence mode in education is that Indonesia is still able to protect its local education institutions from competing foreign education institutions.

An important shift from the Suharto era (New Order era) to the post-Suharto era (Reformation era) has been the restructuring of Indonesia's legislative provision. In the New Order era education policies were controlled by central government, whereas in the Reformation era, under the provision of Law 25 of 1999 on decentralisation, district governments and regional post-secondary education institutions have had the responsibility for financing education.²⁸¹

Another important shift has been the change in status of post-secondary education. The status in law of universities is now *Badan Hukum*

²⁸⁰ See President Regulations, last modified January 20, 2013, <http://www.presidentri.go.id/documentuu.php>.

²⁸¹ See Department of Finance, Indonesia, last modified January 20, 2013, <http://www.depkeu.go.id>.

Milik Negara (BHMN) or State Legal Entity, which has given post-secondary education institutions greater autonomy and public accountability than previously when they were answerable to the government only. This is to say that universities are required to be more transparent to public enquiry. Universities with BHMN status are no longer responsible to the Ministry of National Education but to a board of trustees. Unlike universities without BHMN status, rectors of universities with BHMN are no longer appointed by the president of the Republic of Indonesia but by a board of trustees. What is more, universities with BHMN status are more accountable for their own revenue-generating activities such as through commercialising courses.

Under the presidential decree on higher education, number 60 of 1999, the status of private post-secondary education institutions was regulated. Unlike state post-secondary education that is regulated under the jurisdiction of the state treasury law, private post-secondary education is regulated under the foundation law. The foundation law controls the commercial aspects of post-secondary education in Indonesia, and the commercialisation of post-secondary education occurs, for the most part, in the private sector.

With the expansion of post-secondary education institutions, *Badan Akreditasi Nasional Perguruan Tinggi* (BAN-PT) or the Accreditation Board of National Higher Education was established in 1994.²⁸² A ministerial decree of 1998 and the National Education Act of 1989 are now the basis of BAN-PT. BAN-PT, however, took effect in 1999 when all post-secondary education programmes had to be accredited for the purpose of maintaining education standards. New autonomy for post-secondary education institutions, however, means that the institutions often have financial responsibilities, which restricts the ability of the institutions to maintain the quality of education. For instance, as reported in a study by Buchori and Malik, many post-secondary education institutions provide engineering courses without sufficient equipment. As a

²⁸² Wicaksono and Friawan (2011); Brodjonegoro (n.d.)

result, when BAN-PT conducted inspections, those institutions compromised their integrity by using the deceitful strategy of borrowing equipment from local companies and returning the equipment once the evaluation from BAN-PT was conducted.²⁸³

In 2009, *Badan Hukum Pendidikan* (BHP) or Education Legal Body legislation established the independent legal status of all post-secondary education institutions, with the BHP board to oversee them.²⁸⁴ BHP then was necessary as a form of legal entity in education and was the basis for commercialisation of education and thus, profit. Ministry of National Education (MONE) aimed to grant BHP status to at least 50% of state post-secondary education institutions and 40% of private institutions.²⁸⁵ The World Bank supported the draft of BHP.²⁸⁶ The draft of BHP, however, ignited controversies as it was seen to violate the constitution, which stated that all citizens have the right to education which is not for commercialisation and privatisation.²⁸⁷ Consequently, on March 31, 2010 the Constitutional Court abolished BHP.

As discussed above, the expansion of private post-secondary education was stimulated by the government's prioritising economic development, and its attempt to boost the private education sector's role in that development. BHP on the other hand, was introduced to promote the commercialisation of education, a move supported by the World Bank. It is not surprising then that the present phenomenon of commercialisation of education which has resulted

²⁸³ Buchori and Malik (2004), 262.

²⁸⁴ World Bank, *Indonesia Managing Higher Education for Relevancy and Efficiency*, April 12, 2011.

²⁸⁵ Department of National Education, *Strategic Plan of the Department of National Education 2005-2009* (Jakarta: Department of National Education, 2005): 63.

²⁸⁶ World Bank, *Indonesia Managing Higher Education for Relevancy and Efficiency*, April 12, 2011.

²⁸⁷ Some of the sources of such controversies can be viewed at <http://www.sulutlink.com/berita>; TEMPO, "Students of Indonesian Education University in Bandung Reject the Draft of BHP Legislation," <http://www.tempointeractive.com/hg/nusa/jawamadura>; Antara, Demonstration of Thousands of Students Against BHMN-BHP Satus," <http://www.antara.co.id/arc>.

in the growing number of private education institutions, and legislation that enabled the expansion of private post-secondary education institutions such as the National Education Law of 1990 and BHMN status, did not spark controversies whereas the drafting of BHP did.

Overall, in the Reformation era, there have been several changes in legal provisions. First, post-secondary education institutions have become more independent and autonomous in their academic and financial management. Second, the elite universities became state legal entities, which mean they are more responsible to the public than to the government. Third, all post-secondary education programmes have to be accredited to ensure education quality and standards are maintained. Fourth, Indonesia continues to allow foreign education providers to operate in Indonesia, subject to a number of stipulations.

4.5.3 Curriculum development of Indonesian post-secondary education

In the Reformation era, the post-secondary education curriculum has been developed with the aim of preparing students to be competitive, and to develop character with the aim of edifying the nation's life. With these purposes foremost, the curriculum is competition and character-oriented. The national post-secondary education curriculum, known as *Kurikulum Tingkat Satuan Pendidikan* (KTSP) or Education Unit Level Curriculum, was established in 2006/2007. KTSP is based on the National Education Law of 2003, and Government Regulation 19 of 2005.²⁸⁸ KTSP is competition-oriented and student-centred. Since the regulation of education was no longer centralised, educators were able to develop curriculum based on the needs of the students. National education ministerial decree number 232 of 2000 and decree number 45 of 2002 have encouraged the development of a curriculum

²⁸⁸ Indonesian Ministry of National Education and Culture, last modified January 15, 2013, <http://www.paudni.kemendikbud.go.id>; Directorate General of Higher Education, last modified January 20, 2013, <http://www.inherent-dikti.net>.

based on developing competitiveness for the purpose of creating people who achieve at the international level.²⁸⁹

Tri Darma Perguruan Tinggi (three pillars of service of higher education comprising education, research, and community service, established in 1961) is still the foundation of post-secondary education institutions promoting research and community service for Indonesia's development.

Pancasila is no longer emphasised to the extent it was when used as a political instrument under the Suharto regime, although it is still considered necessary, according to ministerial decree 45 of 2002, as the document for the inspiration of character-based curriculum. According to the National Education Law of 2003, chapter 3, national education must function to develop intellectual ability and to form personal character. From the National Education Law of 2003, the term 'character' refers to human beings devoted to Almighty God and who are noble, knowledgeable, creative, independent, democratic, and responsible. This character-based curriculum has been regarded as essential for preserving the Indonesian national identity.²⁹⁰

It is apparent that in the Reformation era, competition and the development of character have been encouraged and emphasised in the curriculum, as both competitiveness and character are regarded as necessary where there is perceived to be dire consequences were they to be lost from the society.

²⁸⁹ See Directorate General of Higher Education, "Competition based curriculum development," last modified June 30, 2013, <http://www.akademik.dikti.go.id>.

²⁹⁰ Indonesian Ministry of Education and Culture, last modified January 15, 2013, <http://www.paudni.kemendikbud.go.id>; Indonesian Ministry of National Education, "Character based Education," last modified January 10, 2013, <http://www.perpustakaan.kemendiknas.go.id>.

4.5.4 Education relations with the United States

The intentions of Indonesia and the US are strongly connected to the significant role each state has in the other's best national interests. Indonesia, for instance, regards the US as making an important contribution to Indonesia's economic development through its contributing role in education. To generate knowledge, skills, and scientific progress for development, the Indonesian government has attempted to address the nation's education needs through education expenditure, transnational education, education legislation, and transforming the quality of education. Several Indonesian observers of transnational education argue that Indonesia does not have the capacity to fulfil the demand for quality higher education. Indonesia's Constitution outlines that at least 20% of the federal budget must be allocated to education services.²⁹¹ Nonetheless, as stated by Indonesia's vice-President Boediono in 2010, Indonesia does not have the capacity to address Indonesia's education needs,²⁹² thus necessitating Indonesia's opening up of its market to transnational education. According to Totok Suprayitno, of the Indonesian embassy in Washington DC, government spending in education is a low priority.²⁹³ To meet the community's demand for quality higher education, Indonesia has also taken the initiative of partnering with other states, including the US. It is important to note, however, that although Indonesia has a 'free and active' foreign policy which means Indonesia is active in international affairs and is free to choose any state as its partner, post-secondary education from the US is regarded as credible and highly desirable

²⁹¹ The House of Representatives, Indonesia, "UUD 1945," last modified January 18, 2013, <http://www.dpr.go.id/id/uu-dan-ruu>; Directorate General of Budgeting, "Budget for Education in APBN (State Revenue and Expenditure)," last modified January 10, 2013, <http://www.anggaran.depkeu.go.id>.

²⁹² Boediono in Karin Fischer, *A New Start for U.S. and Indonesian Higher Education* (Washington, D.C.: The Chronicle of Higher Education Inc., 2010).

²⁹³ Suprayitno in Karin Fischer, "Obama Begins Rebuilding Academic Ties to Indonesia," *The Chronicle of Higher Education*, last modified May 2012, <http://www.chronicle.com/article>.

by Indonesians.²⁹⁴ The Indonesian education minister, Bambang Sudibyo, argued that the education exchange was crucial for strengthening the Indonesia-US relationship.²⁹⁵ Thus, the Indonesian government is enthusiastic about this relationship and is actively building relationships with top ranked universities in America.

Education exchange with Indonesia is also considered by the US to be crucial for improving relationships between Indonesia and the US. Karl Stoltz, the director of Public Diplomacy for the US State Department's Bureau of East Asian and Pacific Affairs, stated in September 2009 that a close relationship in education is a priority for both governments.²⁹⁶ Educational exchanges and more people to people connections, Stoltz added, "will help educate Americans about Indonesia and Indonesians about America...we hope more Americans will come to know and appreciate the value of an enhanced relationship with the world's largest Muslim nation and third largest democracy". The US government hoped that numbers of Indonesian students studying in the US would double in the year ahead.²⁹⁷

In the Indonesia-US bilateral relationship, the US has played a significant role in assisting Indonesia's development and education. The following table shows US assistance (in thousands of dollars) to Indonesia from year 2004 to 2007.

²⁹⁴ *Mendayung diantara dua karang* (Jakarta: Ministry of Information, 1951); Michael Leifer, *Indonesia's Foreign Policy* (London: Allen and Unwin, 1983).

²⁹⁵ Bambang Sudibyo, in Gatra, "Numbers of Indonesian Students Drop," last modified July 17, 2012, <http://www.gatra.com/article.php/id>.

²⁹⁶ Karl Stoltz, in May Baptista, "Students Conduct Research and Study at the US Embassy's Information Resource Center in Jakarta, Indonesia," last modified January 20, 2013, <http://www.america.govt>.

²⁹⁷ Charles Silver, in *Kompas*, "Let's Study in the US," last modified July 18, 2012, <http://www.kompas.com>.

Table 8. US financial assistance to Indonesia from 2004-2007

Account	2004	2005	2006	2007
Child Survival and Health	33,000	37,100	28,017	27,507
Development Assistance	33,291	27,848	33,212	26,724
Economic Support	49,705	68,480	69,480	80,000
Foreign Military Financing	0	0	90	6,500
International Military Education and Training	599	728	792	1,285
International Narcotics Control and Law Enforcement	0	0	4,950	4,700
Non-proliferation, Anti-terrorism, Demining, and related programmes	5,998	6,262	6,092	7,771
Food Aid (USAID Food Grant)	4,115	10,489		24,000
Tsunami Relief	-	400,000		

Source: US Department of State; USAID; US Department of Agriculture in Thomas Lum, “U.S. Foreign Aid to East and South Asia: Selected Recipients.” *CRS Report for Congress*. Last modified October 5, 2013, <http://www.fpc.state.gov/documents>.

In the area of education, under President George Bush, the US launched a \$157 million education grant initiative. Bush’s unpopular foreign policy, nevertheless, had weakened the US-Indonesia relationship.²⁹⁸ However, on November 10, 2010, both Presidents Obama and Yudhoyono, officially launched the US-Indonesia Comprehensive Partnership.²⁹⁹ The Comprehensive Partnership was built on, “a long term commitment to elevate bilateral relations by intensifying consultations and developing habits of cooperation on

²⁹⁸ President Bush’s foreign policies on war on terrorism, and the war in Iraq were regarded as an attack on the Muslim world.

²⁹⁹ Ibid.

key bilateral, regional, and global issues”.³⁰⁰ Included in the partnership are co-operation commitments in politics and security; economics and development; public health; marine biodiversity; technology cooperation; socio-cultural fields; and education and science.³⁰¹ It signifies that both Indonesia and the US were seeking to improve and edify the relationship. On September 17, 2010, Indonesia and the US inaugurated the US-Indonesia Joint Commission Meeting in Washington D.C. It was led by the foreign ministers of both states.³⁰²

Clearly, the objectives of both Indonesia and the US are strongly related to the substantial role each state has in the other’s national interests. There are ample claims of support for the relationship. The question to emerge, however, is, what actions have followed from the words? This will be discussed in the following chapter. For now, it is sufficient to say that the US has played a significant role in Indonesian education, in the era of reformation.

4.5.5 Summary

In the Reformation era, there has been a significant increase in the number of post-secondary education institutions and student enrolments and there have been changes in the legislation surrounding education with an emphasis on competitiveness and character development in the curriculum. Despite the failure of government to allocate 20% of the total national expenditure to education, the government has encouraged expansion in the private post-secondary education sector. This growth has been made possible through the financial autonomy of private education institutions. Simply put, government efforts to boost the private sector’s participation in the

³⁰⁰ These issues include climate change, environment, energy, democracy and civil society, security and defence, and trade and investment. USAID, “Comprehensive Partnership,” <http://www.indonesia.usaid.gov>.

³⁰¹ Department of State, “Plan of Action to Implement the Indonesia-US Comprehensive Partnership,” *Bureau of East Asian and Pacific Affairs*, September 17, 2010.

³⁰² Ministry of Foreign Affairs of the Republic of Indonesia, “Bilateral Cooperation: United States,” <http://www.deplu.go.id>.

development of the nation's education institutions has resulted in the expansion in the number of private post-secondary education institutions.

There have also been additions to the law surrounding education. The enactment of new legislation enabling access to Indonesia's education market for foreign providers, including American education institutions, has also been an important point of reference for the present day post-secondary education system, and for development in general. It is not surprising that the curriculum emphasises competitiveness and formation of character, as they are regarded as necessary not only for equipping students to succeed in an era of growing trends towards transnational education, but also for maintaining Indonesia's identity. Nevertheless, opening the market to foreign education providers raises the question of whether transnational education diminishes Indonesia's educational sovereignty.

4.6 Concluding remarks

This chapter has outlined the political and historical background of post-secondary education in Indonesia thus providing the setting for understanding and gauging the level of sovereignty in education. Indonesia has had a long history of colonialism. Thus, it is understandable that foreign involvement in Indonesia is perceived to have the potential to violate Indonesia's sovereignty. This chapter has discussed the development of Indonesian post-secondary education since the colonial era, a period during which the US has played a significantly evolutionary role.

From 1947 to 1964, there were several significant developments in Indonesian post-secondary education: the expansion of both state and private post-secondary education institutions; the establishment of law on higher education in 1961 and the introduction of the three pillars of service of higher education; the expansion of Indonesia's relationship with foreign education institutions and their agencies, particularly American education curricula that

functioned to train Indonesian foreign diplomats; and, the introduction of a credit system adopted from the American education structure.

From 1965 to 1998, economic development, and state security and stability were the nation's focus, and education inevitably played an important role because through education, human capital was created. The state doctrine of Pancasila in the curriculum was promulgated for the stability of the state. The government also established national education law and guidelines to standardise the national education system at the post-secondary level. During the Suharto era, the Indonesia-US relationship in education was maintained.

Since Suharto, government policies have been responsible for the public demand for post-secondary education. However, the government has barely had the capacity to make sufficient provision. *Tri Darma Perguruan Tinggi* (three pillars of service of higher education) is still the founding philosophical value of post-secondary education institutions which encourages research and community service for Indonesia's development.

Another significant implication for present day post-secondary education is the endorsement of new legislation for opening access to Indonesia's education market for foreign providers. This endorsement was in response to the growing demand for transnational post-secondary education. Nonetheless, Indonesia has applied horizontal commitment in its schedule of commitment in education. An important ramification of this application is that Indonesia is still able to protect its local education institutions from competition with foreign education institutions. What Indonesia has achieved is the change in its post-secondary education system, from being under total government control to being relatively autonomous, through the implementation of BHMN or State Legal Entity. Nonetheless, what the government of Indonesia has failed to achieve is the permanent installation in law of BHP or the Education Legal Body as part of its attempt to commercialise

education to encourage financial autonomy of post-secondary education institutions.

The US association with Indonesia in education has occurred since Indonesia gained its independence. What has transpired as the result of the interaction between Indonesia and the US along with what they have achieved and what they have failed to achieve are discussed in the remaining chapters. For now, it is arguably Indonesia's education relationship with the US that remains important for both, as the objectives of both Indonesia and the US are strongly related to the substantial role each state has in the other's national interests.

The question of whether transnational education diminishes Indonesia's educational sovereignty still requires an answer. Before addressing this question, however, the outline of the Indonesia-US education exchange programme is presented.

CHAPTER V

THE INDONESIA-US POST SECONDARY EDUCATION RELATIONSHIP

5.1 Introduction

As noted in chapter 4, Indonesia has had an education relationship with the US since gaining independence officially in 1949. This chapter focuses on the development of transnational post-secondary education between Indonesia and the US after the Suharto era, because education system reforms with an emphasis on transnational education took place in the post-Suharto era. The aim is to observe the nature and scope of the Indonesia-US education relationship based on several MoUs, interviews, commentaries, related articles, and newspaper items. Section 5.2 outlines the main features of the Indonesia-US education relationship. It begins with a brief discussion of education agreements between Indonesia and the US which developed under the auspices of the US-Indonesia Comprehensive Partnership. It goes on to discuss the scope and provision made in several Memoranda of Understanding. Patterns and key themes within the memoranda are identified and analysed. The meanings of the themes to emerge from other documents, such as commentaries, are also established. Perceptions on the effectiveness of Indonesian legislation and post-secondary education after the Suharto era are also included. The main concerns with the education relationship are outlined in section 5.3 with concluding remarks in section 5.4.

5.2 Defining features of the Indonesia-US education relationship

5.2.1 Education and the US-Indonesia Comprehensive Partnership

The establishment of the Indonesia-US Comprehensive Partnership marked the pursuit of bilateral agreements between the US and Indonesia.

In 2010, the US Secretary of State, Hillary Clinton and Indonesia's Foreign Minister, Marty Natalegawa signed the US-Indonesia Comprehensive Partnership agreement, a long-term agreement consisting of three pillars: political and security; economic and development; and socio-cultural, education, science, and technology cooperation.³⁰³ In this agreement, education is regarded by both states as important for strengthening their relationship because through education greater involvement in civil society occurs, and people to people relationships are established.³⁰⁴ Education is one of the pillars of the US-Indonesia Comprehensive Partnership that initiates academic exchanges, improves the quality of post-secondary education in Indonesia, expands scientific and research links and is regarded by both states as promoting dialogue advancing peace, tolerance, and respect for diversity.³⁰⁵ David Merrill, the current President of the US-Indonesia Society (USINDO), in the *Jakarta Post* stated that education is one of the most important ways to strengthen the bilateral relationship.³⁰⁶ President Yudhoyono also affirmed that:

Indonesia and America must begin to think hard about our 21st century partnership...A US-Indonesia strategic partnership would have to be based on equal partnership and common

³⁰³ "US-Indonesia Joint Commission and Bilateral Meeting," Office of Spokesman, Department of State, September, 2010.

³⁰⁴ *Jakarta Post*, "People-to-people Relations, Key in Education Partnership," last modified January 25, 2013, <http://www.thejakartapost.com/news.2009/>; USINDO Brief, "US-Indonesia Relations: The Next Phase," last modified January 20, 2013, <http://www.usindo.org>.

³⁰⁵ State Department, "United States-Indonesia Comprehensive Partnership," last modified May 15, 2013, <http://www.state.gov>.

³⁰⁶ *Jakarta Post*, (2009).

interests. It has to bring about mutual and real benefits for our peoples. It has to be for the long term and have strong people to people content³⁰⁷

The President's statement was supported by the Minister of Foreign Affairs, Hassan Wirajuda, who said, "We agreed to expand and deepen our bilateral cooperation within a comprehensive partnership".³⁰⁸

There were barriers to the penetration of foreign education services into Indonesia, such as visa and entry restrictions, restrictions on certain disciplines or certain modes of education delivery that are deemed to be against national interests.³⁰⁹ The Indonesian government also only allowed automotive and electronics courses from independent foreign suppliers.³¹⁰ With the Indonesia-US bilateral cooperation, these barriers are reduced. In addition to this control, the Indonesian government also restricts the presence of foreign education institutions in Indonesia (mode 3 – commercial presence).³¹¹ The significance of this protection policy is that local education institutions are protected from competition with foreign education providers. Visa and entry restrictions are the visible barrier to the presence of natural persons (mode 4), as many foreign researchers find the bureaucracy encountered to be time-consuming, when applying for an Indonesian research

³⁰⁷ See USINDO, "The 2009 US-Indonesia Comprehensive Partnership: Engaging the Non-government Sector," April 16-17, 2009.

³⁰⁸ In US Department of State, "Developing a Comprehensive Partnership with Indonesia," last modified February 18, 2009, <http://www.state.gov/secretary>.

³⁰⁹ For research on barriers to trade in education, see Ajitava Raychadaudhuri and Prabir De, "Barriers to Trade in Higher Education Services: Empirical Evidence from Asia Pacific Countries," *Asia Pacific Trade and Investment Review*, Volume 3 (2003): 67-88.

³¹⁰ Indonesia has tended to allow foreign education only in those courses that will train people in the areas in which there are shortages of expertise. See Director of Indonesian Higher Education in Harian Global Post, "Perguruan Tinggi Asing Dibatasi Dalam Penerimaan Mahasiswa," last modified January 28, 2013, <http://www.harian-global.com>.

³¹¹ Modes of delivery are discussed in chapter 2.

visa.³¹² Barriers to US education for Indonesian students who want to go to the US include visa and entry restrictions. Both Indonesia and the US have attempted to address the issue by reducing the barriers (particularly visa and entry restrictions) to education services.

Through the US-Indonesia Comprehensive Partnership, a framework has been developed and implemented for furthering the scope and areas of provision in the already existing bilateral agreements. It should be noted that bilateral agreements addressed in the US-Indonesia Comprehensive Partnership were signed in previous years. A bilateral agreement in scientific cooperation, for instance, was signed and entered into force on November, 20, 2006, and a bilateral agreement in education was ratified on February, 16, 2009.³¹³ Through the US-Indonesia Comprehensive Partnership, a framework was developed for expanding the scope and provision in educational exchanges. Instead of a one way flow of students from Indonesia to the US only, Americans are also encouraged to study at Indonesian universities, through Darmasiswa scholarships, for instance. As a consequence of the agreement, research collaboration began to be an integral part of education transactions. Prior to the agreement, many foreign researchers were frustrated with the bureaucracy.³¹⁴ Through collaborating research between Indonesian and American education institutions, restrictions on research conducted by foreign researchers are no longer a significant obstacle.

³¹² Bejo Santosa, Director of Facilitation Civil Organization in Metronews, "Foreign Students Reluctant to do Research in Indonesia," last modified January 10, 2013, <http://www.metronews.com>.

³¹³ For more information on bilateral treaties between Indonesia and the US, see <http://www.state.govt/documents/>. Also see Thomas Pepinsky for the discussion of the US-Indonesia comprehensive partnership in the National Bureau of Asian Research, Special Report number 25, November, 2010.

³¹⁴ Indonesian Institute of Arts, Foreign Students are Reluctant to do Research in Indonesia', last modified September 30, 2012, <http://www.isi-denpasar.ac.id/berita/mahasiswa-asing-mulai-enggan-meneliti-di-indonesia>; Directorate General of Islamic Education, "Foreign Students are Reluctant to do Research in Indonesia," last modified March 20, 2013, <http://pendis.kemenag.go.id>.

Bilateral education transactions are considered by both states to be dependent upon the private sector and non-governmental action partly because of the restricted government budgets for education. Private and non-governmental sectors then play a significant role in the transnational education relationship, by contributing through financial assistance for any collaborative education transactions. David Merrill argues that, “of all the sectors in the partnership, education is the one that most depends on non-governmental action. It’s hard to imagine governments of either country directing university to university exchanges. That needs to occur in the private sector...”³¹⁵ Currently, non-governmental parties involved in the Indonesia-US education relationship are USINDO, the East-West Center, the American Association of Community Colleges (AACCC), the Association of American Public and Land-Grant Universities (APLU), the Institute of International Education (IIE), and Joint US-Indonesia Council on Higher Education Partnership. There are also private sectors involved in the transactions, such as the Putera Sampoerna Foundation, Exxon Mobil, and Conoco Phillips.

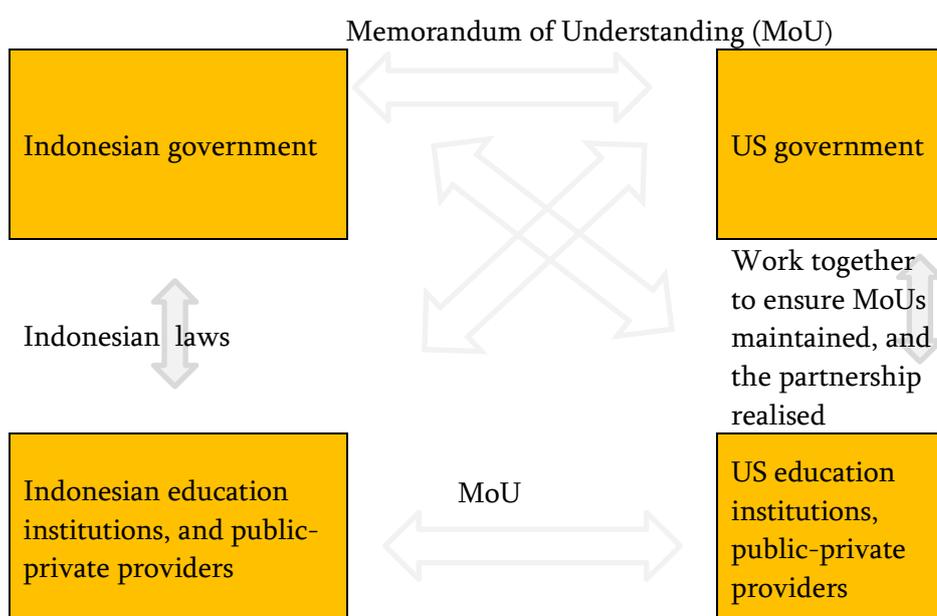
In summary, the establishment of the Indonesia-US Comprehensive Partnership provides a framework for furthering the scope and provision in the bilateral agreement in education. Education is a feature of the partnership as it is regarded as having the potential to strengthen the relationship between the states. The successes of bilateral education transactions are considered by both states to be dependent upon the private sector and non-governmental action. Therefore, the transactions are not restricted to the transactions between governments. Non-state parties are involved in the transactions, as discussed next.

³¹⁵ David Merrill in William Tangkilisan, “Why a Comprehensive Partnership with the US is Crucial for Indonesia,” last modified October 20, 2011, <http://www.thejakartaglobe.com>.

5.2.2 Party interactions and Memoranda of Understanding

Parties involved in the education transactions have been referred to in chapter 3 and the interactions between the parties are illustrated in Figure 2 below.

Figure 2. Party Interactions in the relationship



Adapted from the Association of American Public and Land Grant Universities (APLU), "Recommendations on US-Indonesia Enhanced Cooperation in Higher Education under the Planned Comprehensive Partnership." *Report of the US Higher Education Leaders Mission to Indonesia*. Last modified 10 July 2011 <http://www.aplu.org/netcommunity>

From the above figure, it can be seen that the parties involved are the Indonesian and the US governments, Indonesian and American post-secondary education institutions, public-private providers, and non-governmental institutions. The interactions can be between representatives of the Indonesian government, such as the Directorate General of Higher Education (DIKTI) and US non-governmental institutions, such as the US-Indonesia Society (USINDO). The relations can also be between Indonesian universities and American universities, referred to as 'U to U' (University to University), such as the University of Trisakti and the University of Indiana partnership. At the government level, the interaction is known as 'G to G' (Government to

Government). Likewise, the interaction can be between public-private providers, such as between Exxon Mobil and USINDO (see Memorandum of Understanding in appendix E for the range of parties and their interactions).

There are often more than two parties in the interaction, such as USINDO-DIKTI-Ohio State University. USINDO and DIKTI have been the sponsors of the United States/Indonesia Teacher Education Consortium (USINTEC). The Ohio State University is the lead university for the development and implementation of USINTEC.³¹⁶ USINTEC has collaborated with several Indonesian and American universities, such as Indiana University, the Open University in Jakarta, and the State University of Medan.³¹⁷

A document considered non-binding under international law, such as a MoU, is used in the transactions between parties in the Indonesia-US education relationship. As a non-binding document, dispute settlement between parties avoids the involvement of international courts or tribunals. As a non-binding document, the agreement also can be amended. As pointed out by Aust:

...one of the greatest advantages of an informal instrument is the ease with which it can be amended. Since it is not a treaty, any amendment can be effected with the same ease and speed as the conclusion of the instrument itself. In the case of arrangements involving complicated technical or financial provisions, such as collaborative defence projects or development aid arrangements, there is usually a need to make frequent, though sometimes relatively minor, modifications.³¹⁸

³¹⁶ Memorandum of Understanding, USINTEC, March 22, 2006.

³¹⁷ Ibid.

³¹⁸ Anthony Aust, "The Theory and Practice of Informal International Instruments," *The International and Comparative Law Quarterly*, 35 (1986): 791.

Being non-binding agreements, it is not necessary that the documents are signed by presidents or ministers. Rather, officials, who are not necessarily practitioners in law or experts in international law, involved in the negotiation can also sign an agreement.

As a non-binding document, particular terms are usually used in the agreement.³¹⁹ The use of the terms ‘is to come into operation’ or, ‘the activities are to commence for the participants’, for instance, are used instead of ‘enter into force’.³²⁰ The significance of the use of these terms is that the agreement can be drawn up, signed, and become effective much more quickly than a treaty can.³²¹ MoU covering education transactions between parties are supplementary to the established bilateral treaty in education between Indonesia and the US (see appendix G for the treaties established between Indonesia and the US). As a non-binding document, the MoU can be terminated before the treaty itself is terminated. The use of the term ‘participants’ instead of ‘parties’, and the term ‘Memorandum of Understanding’ instead of ‘agreement’ or ‘treaty’, are also often used. The significance of the use of these terms is that the agreement lacks formalities; the parties involved are not required to publish the agreement, and are not required to register with the United Nations.³²² The implication is that an MoU is preferred by some parties because of its confidentiality, and it is not always publicly accessible. The use of the words ‘should’ or ‘intend’ or ‘expect’ instead of ‘shall’ or ‘agree’ or ‘undertake’, also signify the informality and non-binding nature of the agreement.

³¹⁹ See US Department of State, “Guidance on non-binding documents,” last modified August 20, 2012, <http://www.state.gov/s/l/treaty/guidance>; Anthony Aust, (1986), 787-812.

³²⁰ Ibid.

³²¹ Anthony Aust, (1986), 787-812.

³²² It is stated in article 102 (1) of the UN Charter that “every treaty and every international agreement entered into by any members of the United Nations after the present charter comes into force shall as soon as possible be registered with the secretariat and published by it”.

Transactions between parties have to comply with the domestic laws of both states when the activities take place in the other's land. Any education transactions taking place in Indonesia, between Monterey Naval Post-Graduate School in the US and the newly formed Indonesian University of Defence in Indonesia, for instance, must comply with Indonesia's laws and education regulations. Any educational activities conducted by USAID in Indonesia must also comply with Indonesian laws and education regulations. Likewise, any educational activities taking place in the US must conform to US laws and education regulations.

Transnational education within Indonesia's territory is regulated through the National Education Law of 2003, and Presidential Regulation no. 77 of 2007. With these legislative provisions, Indonesia has the mandated authority to regulate the Indonesia-US education exchange. Not only must any foreign education providers seek approval from the Indonesian ministries of education and manpower for the operation of their services, but they are also obligated to partner with Indonesian education providers and Indonesian educators.³²³

As education is related to other aspects of the government's sphere of authority such as science and security, laws regulating foreign education also impact and overlap with other regulations. Research collaboration, for instance, is regulated under Presidential Regulation 4 of 2012 relating to the agreement between the Republic of Indonesia and the US in scientific and technological co-operation.³²⁴

To sum up, the interactions in the Indonesia-US education relationship are not only between governments but also between non-state parties. Furthermore, the interactions can involve two or more parties. In their

³²³ See <http://www.bkpm.go.id>.

³²⁴ For more information on legislation relating to foreign research and research collaboration, see Ministry of Research and Technology, <http://www.ristek.go.id>.

transactions, parties are not bound under international law, although they must comply with the law of the land. The discussion turns now to the scope and provision in the agreements.

5.2.3 Scope and provision

Parties involved in the Indonesia-US education transactions have various issues to negotiate. The following table, showing several memoranda of agreement, illustrates major aspects of the scope and provision of agreements in Indonesia-US education transactions.

Table 9. Scope and provision of agreements in the Indonesia-US education transactions³²⁵

Parties involved	Scope	Principles	Year signed/ duration	Level
Cendrawasih University and Indo-Pacific Conservation Alliance (IPCA)	Provision of tools, training, and environmental education; collaborative research; documentations for export permits for specimens; funding	Mutual commitment, mutual interests; mutual respect; seeking a beneficial transfer of knowledge, skills, and information; mutual responsibility; follow Indonesian law	2001 (signed) ³²⁶	Education institution (university) and public-private providers

³²⁵ See Appendix E for the list of MoUs.

³²⁶ The agreed duration of the agreement is unknown, as it is to date, unpublished.

Parties involved	Scope	Principles	Year signed/ duration	Level
Bogor Institute of Agriculture and Wake Forest University	Collaborative research in bio medics and non-human primate, funding, supplementary of non-human primate, activities	Mutual commitment; mutual understanding; transfer of knowledge and technology; sharing of ideas, knowledge, and technology; follow Indonesian and international laws governing acquisition, maintenance, and shipment of the animals referred to in the agreement	2001 (signed)	University to University (U to U)
Bogor Agricultural Institute (Center for Food and Nutrition Study) and The Ohio State University (The College of Food, Agricultural and Environmental Sciences)	Interchange between faculty, staff, and students; funding; duration and termination; governance	Mutual commitment	1999-2004	University to University

Parties involved	Scope	Principles	Year signed/ duration	Level
US-Indonesia Society (USINDO) and Indonesian Directorate General of Higher Education (DIKTI)	Teacher education programmes, management structure, management office, governance, activities, funding, additions and withdrawals of education institution partners, period of MoU	Mutual commitment	2006 (signed)	Non-governmental organisation and governmental organisation
State University of Padang and The Ohio State University (The College of Education and Human Ecology)	Teacher quality and school leadership graduate non degree sandwich programmes, programme description, programme sponsor, payment of services, programme period and termination	Commercial basis. However, Indonesia asked for teachers' training courses at Ohio State University. In this case the principle is still reciprocity	2006-2011	University to University

Parties involved	Scope	Principles	Year signed/duration	Level
Government of Indonesia and the US government	Academic exchanges, funding for the exchanges, range of the activities, executive agencies, obligations of both parties, recognition of each other laws and sovereignty, governance, intellectual property, location of meetings, annual reports, annual budget, settlement, commencement, amendments, and termination of the agreements	Mutual benefits; recognising the importance of the principles of sovereignty and equality; mutual respect; mutual commitment; transparency	2009 (signed)	Government to Government (G to G)
The University of Hawaii and Islamic University of Indonesia	Exchange of faculty, scholars, students, academic information and materials, joint research programmes, joint conferences, and double degree programmes, funding, autonomy	Reciprocity; mutual understanding; mutual needs	2012 (signed)	University to University

Parties involved	Scope	Principles	Year signed/duration	Level
Ohio State University and Semarang State University	Co-ordinating universities for the international dual master's degree in English language teaching for US/Indonesia Teacher Education Consortium (USINTEC)	Mutual commitment	2011-2013	University to University

Table 9 above shows that although most interactions between parties to the agreements are different in scope, the principle remains that of reciprocity. Most agreements emphasise the ideals that their exchanges and activities are mutually beneficial and there is mutual respect for each other's laws. Most of the agreements also emphasise mutual commitment. Since activities in the education transaction are dependent upon the ability of parties to secure internal and external funding to support them, they have mutual commitments in seeking and securing capital. Generally, the American parties have the lead role in identifying and obtaining that funding. Nonetheless, the parties involved have assumed the mutual commitment to facilitate the development and continuity of the relationship.

It is essential to recognise that the scope of agreement at the government level (G to G) is the most comprehensive, and provides the guidelines for other parties at different levels (U to U or Public-Private providers). It covers not only the commitment of the state to facilitate favourable treatment for the mobility of education exchanges and co-operation with respect to visas, but also funding for the exchanges, the range of activities, executive agencies, obligations of both parties, recognition of each other's laws and sovereignty, governance, intellectual property, location of meetings,

annual reports, annual budgets, settlement, commencement, amendments, and termination of the agreements. At the government level, the principles of the relationship are outlined comprehensively in the agreement, such as the principles of mutual benefit, law abiding activities, sovereignty and equality, mutual respect, mutual commitment, and transparency.

It is also necessary to note that the term “transfer of knowledge and technology” was included in two agreements listed in Table 9. Both the Indonesian and American parties acknowledged that the transfer of knowledge and technology would be beneficial for Indonesia. The sharing of ideas and knowledge through education and research collaboration nonetheless did occur and was unavoidable.

In summary, the scope and provision of the agreements between the parties varies at different levels. Yet, reciprocity is the guiding principle in the education relationship between parties, as outlined and emphasised in the agreement between the government of Indonesia and the US government. The understandings that parties have brought to the relationship and the main parameters of intentions of the parties are addressed next.

5.2.4 Parameters of intentions of the parties

Both Indonesia and the US have a shared understanding of the benefits of the Indonesia-US education relationship. The US ambassador to Indonesia, Scott Marciel, stated in 2011 that, “student exchanges create a personal basis for better relations”. Likewise, in 2011, the US Secretary of Education, Arne Duncan, spoke at the opening and closing session of the US-Indonesia Higher Education Summit, stating that academic exchange and collaboration are important for learning from each other.³²⁷ He firmly believed that the US and Indonesia have much to share, such as the common challenges of climate

³²⁷ US Department of Education, “Secretary Duncan’s remarks at the US-Indonesia Higher Education Summit,” last modified January 10th, 2013, <http://www.ed.gov/news/speeches/secretary-duncans-remarks-us-indonesia-higher-education>.

change, public health, sustainable agriculture, and renewable energy. He further stated that the US could learn from Indonesia about how to reinvigorate American hunger for higher education, and how to drive rapid economic growth. Likewise, he stated, Indonesia can learn and benefit from the US as the US has a long experience in building systematic higher education. In 2012, the Indonesian Director General of Higher Education, Djoko Santoso, also stated that the relationship in education with the US enhances knowledge in science, technology, agriculture, as well as maintains friendship.³²⁸ The Indonesian Education Minister, Mohammad Nuh, affirmed that the education relationship with the US was cultural diplomacy that would help Indonesia to strengthen bilateral friendships.³²⁹

Both Indonesian and American commentators shared the same voice on the benefits of the Indonesia-US education relationship. Indonesian entrepreneur and philanthropist, Putera Sampoerna, stated that, “education is the single most important component to building vibrant economies and resilient democracy”.³³⁰ Anwar Saleh, the governor of West Sulawesi, stated that studying in the US, “will make us smart”.³³¹ Ade Karyana, the Indonesian head of the education department in South Sumatra district stated in 2012 that many American companies like Connoco Phillips, “could be a partner in education”.³³² Free post-secondary educations through scholarships, American prestigious education institutions, and US assistance for education facilities have given impetus to the relationship. Allan Goodman, the president of the Institute of International Education, a non-profit organisation dealing with

³²⁸ Ministry of Education and Culture, “Republic of Indonesia and the United States Cooperation in Research,” last modified January 12th, 2013, <http://www.kemendiknas.go.id>.

³²⁹ In Voice of America, “US Boosts Higher Education Exchanges with Indonesia,” April 5, 2011.

³³⁰ In Secretary Duncan’s remarks at the US-Indonesia Higher Education Summit, last modified January 10, 2013, <http://www.ed.gov/news/speeches/secretary-duncans-remarks-us-indonesia-higher-education>.

³³¹ In *Berita Satu*, Friday, June 8, 2012.

³³² In *Gatra*, “South Sumatra-US Education Cooperation,” Wednesday, February 1, 2012.

international academic exchanges, also commented on the benefits of the Indonesia-US education relationship, stating that Indonesia has much to offer American students and scholars as a distinctive place to learn in a variety of fields such as politics (Indonesia is the world's largest Muslim nation and third largest democracy) and seismology (three earthquakes a day hit Indonesia).³³³ He stated, "just like we care about India and China, we should care about Indonesia...the future depends on a lot more Indonesians understanding the United States, and a lot more Americans understanding Indonesia".³³⁴ Building relationships, enhancing relationships and learning from each other are not the only perceived benefits of the education relationship. Cameron Hume, former US ambassador to Indonesia stated that education cooperation is crucial for both the economic growth and political stability of a key ally.³³⁵ The Indonesia-US education relationship is indeed regarded as crucial by both states.

Recent public statements by officials in Indonesia and the US indicate there is ample affirming support for the relationship, from both Indonesia and the US. Subsequently, actions have followed from words, as there has been an increase in the numbers of students studying in each other's states. The US has certainly made an attempt to increase the numbers of Indonesian students studying in the US, such as through marketing American universities and changing the perception that "you can't get a visa".³³⁶ The US government is attempting to double the number of Indonesian students studying in the US, and has committed to invest \$165 million over five years in the education programmes with Indonesia through educational exchanges since 2010.³³⁷

³³³ In Karin Fischer, "Obama Begins Rebuilding Academic Ties to Indonesia," *The Chronicle of Higher Education*, July 11, 2010.

³³⁴ Ibid.

³³⁵ Ibid.

³³⁶ In Voice of America, (2011).

³³⁷ Cameron Hume, "Number of Indonesian Students in US Doubled," *Jakarta Post* Friday 13, November 2009; The US made a commitment to grant Indonesia \$301 million for environment

Both the US and Indonesia have encouraged Americans to study in Indonesia. The US-Indonesia Society (USINDO) has worked to extend cultural education opportunities in Indonesia to all Americans through its summer cultural education programmes.³³⁸ Indonesia's popular, widely circulated newspaper, *Kompas*, reported that American students have shown enthusiasm in learning the Indonesian language.³³⁹ Indonesia, through the Darmasiswa scholarship, supports Americans through monthly living allowances (one million five hundred thousand rupiah) as they study Indonesian culture, art and language at Indonesian universities.³⁴⁰ The Darmasiswa scholarship is organised by the Indonesian Ministry of Education in co-operation with the Indonesian Ministry of Foreign Affairs.

'Reciprocity' is purportedly the guiding principle for the parties involved in Indonesia-US education transactions. Close scrutiny of each of the agreements listed in Table 9 suggests that the main intentions of both Indonesia and the US are to learn about and from each other, thus enhancing their relationship and strengthening their shared democracy.³⁴¹ For the US, further intentions include greater Indonesian economic growth, thus supporting the political stability of Indonesia, because Indonesia is regarded as a politically significant state.³⁴² The intentions of Indonesia include enhancing Indonesia's knowledge in areas of technology and science; developing scholarships and improving its education facilities; and, attaining prestige by associating and collaborating with American education institutions.

and climate change development and education. See *Jakarta Post*, "US Puts up \$301 Million for Partnership with RI," <http://thejakartapost.com>; US Embassy in Indonesia, "Ambassador Marciel's Visit to Eastern Indonesia," <http://www.jakarta.usembassy.gov>; USAID, "Fact Sheet: Higher Education Partnership with Indonesia," <http://www.indonesia.usaid.gov>.

³³⁸ See USINDO, "US-Indonesia Summer Studies Programme," <http://www.usindo.org>.

³³⁹ *Kompas*, "American Students' Enthusiasm in Learning Indonesian Language," Tuesday, July 17, 2012.

³⁴⁰ Embassy of the Republic of Indonesia, Indonesian Scholarship," last modified January 10, 2013, <http://embassyofindonesia.org>.

³⁴¹ Extended discussion on democracy is not within the scope of this thesis.

³⁴² It is discussed briefly in chapter 7.

5.2.5 Outcomes of the Indonesia-US education relationship

In November 2008, President Yudhoyono, in his speech to the US-Indonesia Society (USINDO), expressed the need for Indonesia to have a bilateral relationship in education.³⁴³ In the delegation meeting of the US-Indonesia council on higher education partnership in 2009, Indonesian professors stated they preferred American education to that of other foreign education providers, but the high cost of American education was one impediment to Indonesians studying in the US.³⁴⁴ In response to this point, President Obama and Secretary of State, Hillary Clinton agreed that education would be one of the key components of the comprehensive partnership.³⁴⁵ In 2010, Cameron Hume, the US ambassador to Indonesia, emphasised the importance of efforts to increase the number of Indonesian students studying in the US within the following five years.³⁴⁶ With this aim, the hopes for both Indonesia and the US as outlined above will be realised; that is, through the Indonesia-US education relationship each will learn from and about the other, and their relationship will be improved and enhanced.

The aspirations of the education relationship are expressed by the Joint US-Indonesia Council on Higher Education as follows: for deepening educational links between Indonesia and the US through education exchanges; and, for growing and strengthening the capacity of the educational institutions of both states.³⁴⁷ To realise these objectives, the Council suggested that the US should double the number of Indonesians studying in the US, and the US

³⁴³ In the report to the US Higher Education Leaders Mission to Indonesia, "Recommendation on US-Indonesia Enhanced Cooperation in Higher Education under 'the Planned Comprehensive Partnership'," 2009.

³⁴⁴ Ibid.

³⁴⁵ The US-Indonesia Comprehensive Partnership assumes a long-term commitment and, in addition to education, includes security and defense, energy development, environmental and climate change, culture, and public health.

³⁴⁶ Ibid.

³⁴⁷ APLU, "Recommendations on US-Indonesia Enhanced Cooperation in Higher Education under the Planned Comprehensive Partnership," *Report of the US Higher Education Leaders Mission to Indonesia*, last modified July 10 2011, <http://www.aplu.org/netcommunity/Document>.

should triple the number of Americans studying in Indonesia.³⁴⁸ In the USINDO conference in 2009, it was recommended that the governments of both Indonesia and the US should double the numbers of Indonesian students studying in the US by 2014 (there were 7131 Indonesian students studying in the US in 2011/2012).³⁴⁹ The Council also suggested that US-Indonesian institutional and research partnerships should be supported and expanded.

Table 10 sets out the numbers of Indonesian students studying in American institutions from 2000 to 2011, providing a good starting point for the discussion of whether or not, and if so to what extent, the aims, aspirations, and hopes outlined above, of both Indonesia and the US, have been realised. From 2000/2001 to 2009/2010, the number of Indonesian students studying in American education institutions decreased, from 11625 to 6943. Nuffic Neso (Nuffic Netherlands Education Support Office) reported that there were several reasons for this decline: America's dangerous environment due to the proliferation of firearms, the degradation of morals, difficulty in obtaining visas, and the high cost of living in America.³⁵⁰ In 2011/2012, following the bilateral relationship in education through the comprehensive partnership which commenced in 2010, the numbers of Indonesian students studying in American education institutions increased to 7131.

³⁴⁸ The Council, however, does not make it clear by what year and what number Indonesia should double and the US should triple student numbers.

³⁴⁹ USINDO, (2009).

³⁵⁰ Nuffic Neso Student Survey, "Annual Report June 2009," last modified July 10, 2010, <http://www.nuffic.nl>.

Table 10. Numbers of Indonesians studying in the US (2000/2001 - 2011/2012)

Year	Undergraduate	Postgraduate	Others	Total
2000/2001	7966	2915	744	11625
2001/2002	8083	2827	704	11614
2002/2003	7436	2519	477	10432
2003/2004	6249	2190	441	8880
2004/2005	5227	2021	512	7760
2005/2006	4868	1973	734	7575
2006/2007	4583	1709	1046	7338
2007/2008	4894	1841	957	7692
2008/2009	4672	1853	984	7509
2009/2010	4313	1595	1035	6943
2010/2011	4478	1541	923	6942
2011/2012	4571	1569	991	7131

Source: Institute of International Education, <http://www.iie.org/research-and-publications/open-doors/data>.

Just as the numbers of Indonesian students studying in American education institutions declined, the number of Americans going to Indonesia for education purposes also dropped from 213 in 2000/2001, to 74 in 2007/2008, but then increased to 221 in 2009/2010, as shown in Table 11.

Table 11. Numbers of American students studying in Indonesia (2000/2001 - 2011/2012)

Year	Total
2000/2001	213
2001/2002	52
2002/2003	26
2003/2004	24
2004/2005	28
2005/2006	57
2006/2007	132
2007/2008	74
2008/2009	176
2009/2010	221
2010/2011	223
2011/2012	N/A

Source: Institute of International Education (IIE), <http://www.iie.org/research-and-publications/open-doors/data> Data for 2011/2012 is as yet unavailable but is due to be reported by IIE in the Open Doors report 2013.

Clearly, from the above tables, the ambition of the Joint US-Indonesia Council on Higher Education to double the number of Indonesian students studying in the US, and to triple the number of American students studying in Indonesia was not realised.³⁵¹ However, both Indonesia and the US have made efforts to establish extensive education transactions. The Indonesia-US education relationship includes post-secondary education collaboration, exchanges, and public-private collaboration. The courses include those that are considered important in the Indonesia-US bilateral relationship, such as defence, climate change, science, environment, marine biodiversity, public health, English language, and teacher training. Post-secondary education programmes in Indonesia involving study abroad for dual degrees, and the presence of natural persons (US scholars going to Indonesia) modes (see chapter 2 for the discussion of modes of education deliveries), include:³⁵²

1. Academic collaboration between the University of Trisakti and the University of Indiana and the University of Missouri.³⁵³ The graduates will have double degrees. For its postgraduate programme, the University of Trisakti (School of International Business) has partnered with Colorado University.³⁵⁴
2. Academic collaboration between the University of Ohio State and the University of Indiana at Bloomington. They are currently working on establishing a dual degree programme with twelve Indonesian partner institutions;

³⁵¹ The intention of doubling the number of Indonesian students studying in the US and tripling the number of American students studying in Indonesia was announced by the Joint US-Indonesia Council in 2010. See APLU, (2011).

³⁵² US Department of State, "Background Note: Indonesia," last modified February 20, 2013, <http://www.state.gov>; USAID, "Comprehensive Partnership," <http://www.indonesia.usaid.gov>; Maureen McClure, "Sustainable University Partnerships: National Education Reform Challenges in Decentralizing Indonesia," *International Studies in Education*, 8 (2007): 5-6.

³⁵³ Other universities include Cowan University (Australia) and Saxion University Deventer (Holland).

³⁵⁴ Other universities include Maastricht School of Management, Cape Breton University and University of Technology in Sydney.

3. Academic collaboration between the University of Northern Illinois and the University of Hasanuddin of South Sulawesi. They are working on establishing a joint engineering programme;
4. Four of 25 planned university partnerships have been approved by USAID. The first is a partnership between the University of California, Los Angeles (UCLA) and the University of Udayana in Bali. This partnership is aimed to strengthen research on marine biodiversity. The second is a partnership between Columbia University and the University of Indonesia to establish a centre for child protection. The third is a partnership between the University of Harvard's School of Public Health and several Indonesian institutions which is focused on enhancing training in public health. The fourth is a partnership between Texas A&M and three Indonesian universities in a tropical plant project;
5. Naval Post-Graduate School in Monterey collaborating in military education with the new Indonesian University of Defence;
6. Academic and research collaboration with non-state actors (NGOs) through the planned US-Indonesia comprehensive partnership which combines the efforts of universities, and the public and private sectors of both Indonesia and the US;
7. The Indonesia Trade Assistance Program (ITAP) is a project conducted in Indonesia by USAID. Under the auspices of ITAP, Trade and Research Development Agency (TREDA), and Inter Agency Trade Framework (IATF) conduct training, seminars, mentoring, and technical assistance for knowledge and skills in international trade;
8. Public-Private Partnership (PPP). An example of PPP is Conoco Phillips Indonesia and USAID. Their cooperation has ensured the completed reconstruction and rehabilitation of not only 35 public and

private schools but also vocational education institutions, since the earthquake in May 2006;

9. The twinning programme between Jakarta International College and Western Michigan University.

Education programmes for Indonesians going to the US were also initiated. They include:³⁵⁵

1. Expanding exchange programmes, such as Fulbright, the Community College Initiative, and the State Department's English language training programme, students advisory services, and other exchanges;
2. Inviting the Indonesian Minister of Education to travel to the United States for a US-Indonesian Higher Education Summit to advance cooperation in education;
3. Sending 50 young Indonesians to study at US community colleges, under the new US\$12.5 million five year community college initiative, in the areas of agriculture, business, engineering, information technology, and health.

It is possible for both Indonesia and the US to achieve their aims and hopes that through the education relationship each will learn from and about the other, and will enhance their relationship, as each state has attempted to increase the number of its students studying in the other's state. However, there are current issues concerning the agreements and the agenda of the Indonesia-US education relationship, and these will be discussed next.

³⁵⁵ US Department of State, "United States-Indonesia Education Cooperation," Bureau of Educational and Cultural Affairs, <http://www.exchanges.state.gov>; The White House, "Fact Sheet: Higher Education Partnership with Indonesia," last modified February 10, 2013, http://www.whitehouse.gov/sites/defaultfiles/us-indonesia_higher_education_partnership; Alan Dessoiff, "Building Partnerships: Indonesia and the United States," *Embassy of Indonesia*, http://www.embassyofindonesia.org/education.docpdf/building_partnerships_indonesia_us.

5.2.6 Issues concerning the Indonesia-US education relationship and education agreements

One main issue on the agenda of the Indonesia-US education relationship has the potential to hinder the aspirations of both the US and Indonesia to improve their bilateral relationship. According to the Institute of International Education, Indonesia is not on the list of the top 25 destinations Americans choose for their study.³⁵⁶ Indonesia was widely known in the US especially during the Sukarno era, but at the present time there are many Americans who do not know Indonesia, and this lack of knowledge on Indonesia hinders the objective of increasing American students studying in Indonesia. As Allen Goodman, the president of the Institute of International Education said, “It is a harder sell when 60% of Americans can’t even find Indonesia on the map”.³⁵⁷ Even if many Americans know Indonesia, there are perceptions of Indonesia that hinder the goal of increasing the number of Americans studying to Indonesia. The *Chronicle of Higher Education* 2011 notes there are several factors contributing to Americans’ perception of Indonesia as an unsafe destination in which to study: the Asian financial crisis; domestic terrorism; and tsunamis.³⁵⁸

There are also several issues with the agreement that have the potential to hinder the aspirations of both the US and Indonesia to improve their bilateral relationship. First, since research collaborations are dependent upon internal and external funding to support them, international financial institutions such as the World Bank and Asian Development Bank would also play a role in providing the funding. Profound issues arise about who bears the burden of the debt and the extent to which Indonesians, other than the negotiators, are aware of the role of international financial institutions in some

³⁵⁶ Institute of International Education, <http://www.iie.org/research-and-publications/open-doors/data>.

³⁵⁷ In Fischer, (2010).

³⁵⁸ In Ian Wilhelm, “Building on Presidential Bonds: US and Indonesia Seek Ways to Increase Academic Partnerships,” *The Chronicle of Higher Education*, October 31, 2011.

of the education transactions between Indonesia and the US. Since the parties involved are not obliged to publish their agreements, many Indonesians would not be aware of the role of international financial institutions. With the emphasis of greater involvement of civil society in the education relationship, the role of international financial institutions has the potential to hinder the aspirations of both the US and Indonesia to develop people to people relationships because the World Bank has been considered by Indonesia's civil society to be an institution that has created a massive debt for Indonesia.³⁵⁹

Second, although an MoU is a non-binding agreement, that fact does not automatically denote that the document is non-binding under international law. The US Department of State, for instance, stated that, "the US has entered into MoUs that we consider to be binding international agreements".³⁶⁰ Although the agreements on academic collaboration are not binding, commercialisation of education through international trade is regulated in the WTO General Agreement on Trade in Services. The conclusion is that non-binding agreements have the potential to be binding international agreements.

Disputes will then be unavoidable. The Indonesian government restricts the presence of foreign education institutions in Indonesia, which has the implication of protecting local education institutions from competition. This protective policy could be considered by the US to be a barrier to the relationship. It is clearly stated by Congressman, McDermott, who spoke in USINDO open forum, that Indonesia's protectionist trade regulations affect the

³⁵⁹ Although greater involvement of civil society has been emphasised in the relationship, there has not been active involvement of civil society. As the MoU is not always published and civil society has not been actively involved, the inclusion of the role of the World Bank in the education relationship has not stirred up controversies among Indonesians. It is necessary to note that Indonesia is included in the top ten World Bank's borrowers. In 2011, Indonesia's debt reached US\$ 215, 5 billion. See The World Bank, "Internal Debt Statistics 2013," last modified March 28, 2013, <http://www.data.worldbank.org/sites/default/files> Also see Anti Debt Coalition, <http://www.kau.or.id>.

³⁶⁰ See US Department of State, "Guidance on Non-binding Documents," last modified January 8, 2013, <http://www.state.gov/s/l/treaty/guidance>.

relationship.³⁶¹ Indonesia is a reluctant state in committing itself in trade liberalisation not only with the US but also with its neighbouring states and other states.³⁶² Even Indonesian scholars and policy makers who are the proponents of trade liberalisation have their own reservations about the aspects of trade liberalisation that can jeopardise Indonesia.³⁶³ The disagreement on Indonesia's protective trade policy, however, has not been raised by either the US or Indonesia as a significant issue in their bilateral relationship. So far, American education institutions have not been restricted by the Indonesia government in the extent they can commercialise their education by promoting their education courses and finding Indonesian students to study at their institutions in the US on a fee paying basis. One feature of the education transaction which Indonesia remains adamant about is that the presence of foreign education providers operating in Indonesia is prohibited unless they agree to collaborate with Indonesian education institutions. This feature signifies that, despite the Indonesian government restriction on commercial presence mode, American education providers are still able to commercialise under the consumption abroad mode. It is necessary to note, however, as the non-binding agreements have the potential to be binding international agreements, disputes will be unavoidable and have the potential to impede the objective of strengthening relationships.

Overall, negative views and lack of knowledge of Indonesia by some Americans, the role of international financial institutions such as the World Bank, and the status of a non-binding agreement that has the potential to be a binding international agreement are salient issues on the agenda of the

³⁶¹ In USINDO Brief, (2013).

³⁶² Dian Arrifahmi, Industry Minister: Indonesia is not Ready for Newly Signed ASEAN-China FTA," *The Jakarta Globe*, <http://www.thejakartaglobe.com/business>.

³⁶³ Among these scholars and policy makers are Mary Pangestu, Hadi Soesastro, Lepi Tramidi, Dewi Fortuna Anwar, and Umar Juoro.

Indonesia-US education relationship that have the potential to hinder their aspirations to improve their bilateral relationship.³⁶⁴

5.2.7 Summary of main features of the Indonesia-US education relationship

The Indonesia-US education relationship comprises six features. The first is the establishment of the Indonesia-US Comprehensive Partnership that provides a framework for furthering the scope and provision in the bilateral agreement in education. The second feature is that, as bilateral education transactions are considered by both states to be dependent upon the private sector and non-governmental action, the interactions in the Indonesia-US education relationship are not only between states but also between non-state parties. The third feature is that reciprocity is the guiding principle comprising: mutual benefits, mutual commitment, mutual understanding, mutual interests, mutual respect, and mutual responsibility. The fourth feature is that the main intention of both Indonesia and the US is learning about and from each other and thus enhancing their relationship, and strengthening their shared democracy. The core intentions for the US include Indonesia's economic growth and the resulting improved political stability as Indonesia is regarded as an important political ally. Indonesia's intentions include: improving knowledge in the areas of technology and science; developing scholarships and improving its education facilities; and, achieving high education status by associating with American education institutions. The fifth feature is that it will be possible to achieve the aims and hopes of both Indonesia and the US, and that through the education relationship they will learn from and about each other, and will improve their relationship; with this goal, both states have endeavoured to increase the numbers of their students studying in each other's state. The sixth feature is that there are salient issues on the agenda of the

³⁶⁴ Although these issues have not been raised by either Indonesia or the US as obstacles in the education relationship, the issues should be taken into account as having the potential to hinder their aspirations to improve their bilateral relationship.

Indonesia-US education relationship that have the potential to hinder aspirations to improve their bilateral relationship. These issues include negative views and lack of knowledge and understanding of Indonesia on the part of some Americans, the role of international financial institutions such as the World Bank, and the status of non-binding MoU that in some circumstances have the potential to be legally contractual.

The relationship has indeed been constructive and both states have regarded it as beneficial. The data, however, show that although both have endeavoured to develop the relationship by trying to increase the numbers of their students studying in the other's state, the strategy has not been effective. Both states, therefore, still have further tasks to accomplish in order to improve their relationship, such as addressing issues on the agenda of the education relationship that have the potential to impede their ambitions and objectives of improving their bilateral relationship. It is necessary then to manage such a relationship in part through an education agreement. This is explained next.

5.3 Future of the Indonesia-US education relationship

With particular reference to the education ties between the US and Indonesia, the course of the relationship between the two states has not always been without obstacles. During the era of the first Indonesian president, Sukarno, the tension between the two states was apparent as US foreign policy was hostile to communism and Indonesia received aid not only from the US but also from the Soviets and China. As Sukarno's statement, "go to hell with your [US and Western countries] aid" resonated loudly, so did antagonism toward the education relationship with the US.³⁶⁵ During the Suharto era, however, although the relationship with the US, including the relationship in education was established and maintained, the relationship between the two

³⁶⁵ Retnowati Abdulgani-Knapp, *The Life and Legacy of Indonesia's Second President* (Singapore: Marshall Cavendish International, 2007), 86.

states was lukewarm as Indonesia's military committed human rights abuses in East Timor and, as a consequence, the US banned military training and aid to Indonesia. President George W. Bush's initiative in partnering with Indonesia over security arrangements (counter-terrorism) and in giving Indonesia education financial assistance, although welcomed by President Megawati, also saw US foreign policy in the Middle East causing national discontent. Indonesian nationalists and Islamic activists urged Muslim solidarity. Bush's initiative in partnering with Indonesia and in giving Indonesia education financial assistance was also considered by many Indonesians as being in the US's political interests as counter-terrorism co-operation was emphasised. The *Jakarta Post* reported that in the subsequent years, much attention had been given to the relationship and US aid had poured into Indonesia.³⁶⁶ In 2003, President George W. Bush launched a \$157 million dollar education initiative, and announced a joint statement with President Megawati Sukarno Puteri. However, Megawati's stance was not supported by the Vice-President, Hamzah Haz who argued that the US deserved the terrorist attack launched by the Islamist terrorist group on September 11, 2001, "to cleanse its sin".³⁶⁷ Some Indonesian scholars reasoned that any policy that was too close to the US would automatically be criticised by the public and media.³⁶⁸ After Megawati, the closeness of President Yudhoyono to the US also faced staunch opposition from many Indonesian nationalists. When Yudhoyono was re-elected, both he and President Obama were able to rebuild a relationship because many Indonesians welcomed President Obama. Nevertheless, political openness between the US and Indonesia was difficult, as close ties with the US ignited suspicion and opposition from many Indonesians. Indonesian suspicion of the US was clearly evident when the Indonesian Minister of Health, Fadilah

³⁶⁶ Dewi Fortuna Anwar and Hariyadi Wirawan in *The Jakarta Post*, "9/11 Attack Brings US, RI Closer," September 9, 2011.

³⁶⁷ Carnegie Endowment, "Where the War on Terror is Succeeding," last modified November 30, 2012, <http://www.carnegieendowment.org> Also see <http://www.pdii.lipi.go.id>.

³⁶⁸ Dewi Fortuna Anwar and Hariyadi Wirawan, (2011).

Supari, closed down the US Naval Medical Research Unit (NAMRU), for allegedly conducting non-scientific activities such as espionage and military activities.³⁶⁹ In June 2010, despite initially allowing in the US Peace Corp Programme (PCP), Indonesia then restricted its activity by allowing only an English teaching programme and forbidding any other activities perceived by Indonesians to interfere with internal affairs.³⁷⁰

Opposition to any foreign involvement has been clearly evident in many cases. Indonesian laws concerning foreign education, for instance, have been a subject of criticism among Indonesian students. Inggar Saputra of the Indonesian Muslim students board (*Kesatuan Aksi Mahasiswa Muslim Indonesia*) for example, expressed her grievance that most Indonesian regulations have defended foreign interests.³⁷¹ One example of this, Saputra said, was the use of English as a core competency, and foreign involvement in education.

Opposition to and suspicion of the US have also been clearly evident in many cases; however, these matters are beyond the scope of this thesis. There is, of course, the potential and need for both states to enhance the relationship, as there are many Americans who are unaware of Indonesia geographically, and also the existence of anti-American sentiments.³⁷²

On the other hand, the education exchange between the two states would allow many Americans to grow in their awareness of Indonesia, and

³⁶⁹ Markus Sihaloho and April Aswadi, "Health Ministry to Reopen NAMRU," last modified November 30, 2012, <http://www.thejakartaglobe.com/news>; *The Jakarta Post*, "NAMRU-2: For Who?," November 10, 2012.

³⁷⁰ peacecorps.gov/learn/wherepc/asia/Indonesia; whitehouse.gov/the-press-office/2011/11/18; fas.org/spp/crs/misc; Surabaya.usconsulate.gov.

³⁷¹ Haluan Media Group, "Save National Education," April 12, 2012.

³⁷² Ann Murphy, "US Rapprochement with Indonesia: From Problem State to Partner," *Contemporary Southeast Asia: A Journal of International and Strategic Affairs*, 32, (2010): 362-287; Anthony Smith, "A Glass Half Full: Indonesia-US Relations in the Age of Terror," *Contemporary Southeast Asia A Journal of International and Strategic Affairs*, 25 (2005): 449-472; Anthony Smith, "Reluctant Partner: Indonesia," *Asian Affairs*, 30 (2003): 142-150.

many Indonesians to gain some depth of understanding of the US, despite some reports in the media inflaming anti-Americanism.³⁷³

It is necessary to note that Indonesian non-governmental organisations are not actively involved in the transactions, as they are often opposed to foreign aid and education.³⁷⁴ *Kaum ulama* (an Islamic religious organisation), for instance, has urged the district government of Aceh to oppose any introduction of foreign education, aid, and operations of foreign non-governmental organisations, as they are regarded as having the potential to erode Islamic values and local culture. Both Indonesia and the US still have further tasks to accomplish in order to realise their aspirations of strengthening their relationship by emphasising people to people relationships and greater involvement of civil society.

The US is still among the most popular destinations for study among Indonesians.³⁷⁵ Based on the 1990 *Nuffic Neso* student survey, most Indonesian students considered America for their study destination because of its reputable and prestigious education institutions.³⁷⁶ This sort of point, however, needs further consideration because it deals with why parties persist with a relationship at times when there is pressure on the relationship. This issue is discussed in the remaining chapters of this thesis. For now, it is established, based on reports in the Indonesian media and *Nuffic Neso*, that the US is still one of the favourite study destinations for Indonesian students because of its prestigious education institutions.

³⁷³ US reactions regarding opposition and suspicion among Indonesians are outlined in chapter 7.

³⁷⁴ *Tribunnews*, "Ulama: Evaluation on Non-governmental Organisations," last modified March 11, 2013, <http://www.tribunnews.com/2012>; *Harian Andalas*, "Aceh Government Was Asked to Tighten Rules on Permits for Foreign Education," <http://www.harianandalas.com>

³⁷⁵ In *The Jakarta Post*, "Aussie, US, UK, and Singapore Top Choices for Overseas Study," <http://www.thejakartapost.com/news/2010/08/10/aussie-us-uk-and-singapore-top-choices-overseas-study.html>.

³⁷⁶ <http://www.nuffic.nl>.

In summary, the path of the relationship between the two states has not always been without difficulties. Both states have worked consistently toward building a relationship in education. At times, the attempts at building a stronger relationship are not effective. It is essential that the management of their bilateral relationship emphasises greater involvement of civil society, and a deepening knowledge of each other through cultural and educational exchanges.

5.4 Concluding remarks

This chapter has outlined and discussed the features of the Indonesia-US education relationship: the establishment of the Indonesia-US Comprehensive Partnership that provides a framework for furthering the scope and provision in the bilateral agreement in education; the involvement of both state and non-state parties; reciprocity as the guiding principle; the main intentions of both Indonesia and the US; the aims and hopes of both Indonesia and the US; and, pertinent issues on the agenda of the Indonesia-US education relationship that have the potential to hinder their aspirations to improve their bilateral relationship.

The relationship has indeed been productive because both states have regarded the relationship as mutually beneficial, and have striven to develop their relationship. Yet, both states still have to accomplish further tasks, such as resolving issues with the agenda of the Indonesia-US education relationship, that have the potential to hinder their efforts to improve their bilateral relationship.

What lies ahead is indeed the assurance that in spite of challenges and obstacles in the relationship, the education exchange with the US has the potential to expand.

CHAPTER VI

RECIPROCITY IN THE INDONESIA-US EDUCATION RELATIONSHIP

6.1 Introduction

Chapter 5 discussed the patterns and key themes within the agreements in education between parties involved in the Indonesia-US post-secondary education relationship. This chapter outlines emerging themes and key findings from the interviews conducted as a part of this research. Reciprocity was identified as a guiding principle, and the chapter examines the way reciprocity is understood by the parties involved. This chapter also analyses and contextualises the comments of the respondents.

Section 6.2 provides a brief overview of the interview findings, and identifies the emerging themes. Section 6.3 analyses and discusses the perspectives and experiences of those dealing with education exchange agreements between Indonesia and the US. The perspectives and experiences of those involved in dealing with financial assistance from the US for Indonesian education are outlined, analysed, and discussed in section 6.4. The perspectives and experiences of those dealing with education curriculum are presented in section 6.5, and conclusions drawn in section 6.6.

6.2 Research findings: An overview

After transcription, the responses to each interview question from all interviewees were grouped into three categories: responses of the Indonesian and American negotiators dealing with the agreements; responses of the Indonesian and American respondents dealing with financial assistance from the US; and, responses of the Indonesian and American respondents dealing

with the Indonesian post-secondary education curriculum. After this process, the common and emerging themes were identified.

As outlined in chapter 3, each group of respondents was asked different questions, according to their roles in the Indonesia-US education transactions (see appendix D). All respondents, however, were asked to comment on what they saw as the guiding principle of the relationship, whether they perceived any risks or disadvantages from the relationship, and what they saw as the benefits of the relationship. In response to the question on the guiding principle of the relationship, most respondents (both Indonesian and American respondents) referred to the notion of mutual benefit. Other respondents added transparency in the relationship, and strengthening three pillars of higher education (education, research, and community services) as the guiding principles. When asked if there were risks or disadvantages in the relationship, the responses of the Indonesian respondents were characterised by the emergence of three themes: Indonesia's incapacity to be equal in some aspects of the relationship; an emphasis on seeing the relationship as a basis for learning from and about each other, not for the pursuit of political agendas; and, a concern about the potential for the loss of Indonesian cultural values. These three themes were clearly apparent and indicate the Indonesian concern with the quality of the relationship and the ability of the country to protect its interests, particularly the maintenance of cultural values. When asked about the benefits from the relationship, both Indonesian and American respondents emphasised that it was mutually beneficial, that is, both parties recognised they gained from the agreements.

Throughout the interviews, these words repeatedly emerged: not for political gains; mutual benefits; equality; and Indonesian cultural values. The theme of learning from and about each other, rather than the pursuit of political agendas, was seen as a driving principle behind the negotiations. It was apparent that the Indonesian negotiators purposefully and consciously

entered into talks wary of implications in the wider political sphere, and were at pains to avoid any political obligations that might occur as a consequence of the education exchange agreements. Political agendas were consciously separated from the focus and pursuit of education and research excellence. Both Indonesian and American respondents emphasised that the purpose of the relationship was the enhancement of understanding between the US and Indonesia. In this context, both regarded the relationship as reciprocal. The Indonesian respondents, however, emphasised that Americans should understand Indonesia and Indonesians. In this context, it is interesting to examine further whether the relationship was seen as reciprocal, and whether the relationship brought an enhanced understanding for both states, an area which is discussed further in chapter 7.

The Indonesian respondents were clear that the relationship with the US must not have political obligations. In other words, politics should not be the ulterior motive in agreements, and education exchanges should not be agreed to in return for political favours. Chapter 7 provides an analysis of why Indonesian respondents were so concerned with the political repercussions of the relationship, and notes the way Indonesia's historical dealings with foreign states had led to a developed sense of suspicion.

The Indonesian respondents emphasised the benefits for Indonesia, but added that they saw the US as also benefitting from a better understanding of Indonesia and Indonesians. Of the sixteen Indonesian respondents, fifteen emphasised equality, as did two of the six American respondents. This reference to equality came directly from the respondents and was not included in the researcher's schedule of issues to explore. A concern with equality was obviously of importance to the Indonesian respondents, and this was interpreted as a concern with the quality of the relationship and the mutual respect required. Here, the Indonesian respondents were concerned with a reciprocal relationship and mutual respect. How the respondents perceived

equality, and why Indonesian respondents were concerned with equality more than their American counterparts were is discussed further in chapter 8. This chapter also discusses and explores the extent to which equality can be operationalised in such a bilateral relationship.

When asked to comment on potential risks associated with the relationship with the US, 5 Indonesian respondents saw no risks, while 11 respondents thought that the relationship had potential risks, as noted above. Most Indonesian respondents commented, however, that the education relationship with the US was not currently threatening Indonesian cultural values. The reason given was that the American approach to education was not easily adapted to the Indonesian context and its distinctive identity, language, and religions. Yet, some expressed concerns over the possible loss of Indonesian cultural values as a consequence of the relationship. Where it was clear that American cultural values and knowledge were beneficial for Indonesian society and development, these respondents accepted that it was necessary to accept and embrace them. Concerns about the threat to Indonesian culture and values are discussed further in chapter 9.

In summary, the responses to questions which explored respondents' views on the guiding principles of the relationship indicate that both American and Indonesian respondents saw it as a type of reciprocal arrangement. Although there were concerns about the relationship, as indicated by Indonesian responses to questions which explored benefits and risks, Indonesian negotiators saw it as reciprocal.

6.3 Perspectives on the education transaction agreement

6.3.1 On mutual benefits

The essence of a reciprocal relationship is that all parties, whether weak or strong, have potential gains from the relationship.³⁷⁷ Cialdini argues that “the general rule [of reciprocity] says that a person who acts in a certain way towards us is entitled to a similar return action.”³⁷⁸ Most respondents were careful to assert that there were mutual benefits. It was apparent that the Indonesian respondents did not perceive themselves nor position themselves as the weaker or inferior party to be dictated to by their US counterpart. When asked what the guiding principles in the negotiations were, typical comments were: “the guiding principles [are], firstly, mutual benefits” (Indonesian government official (respondent 8)); “The guiding principle is mutual benefit” (An Indonesian dean dealing with MoUs, (respondent 14)); “Any agreements must be mutually beneficial” (Indonesian government official (respondent 5)). Other respondents added transparency in the relationship, and strengthening tri-pillars of higher education (education, research, and community services) as the guiding principles.

To understand what has guided Indonesian negotiators in foreign affairs such as the bilateral relationship with the US, it is necessary to understand the nation’s ‘free and active’ foreign policy. This policy may be interpreted as the intention by Indonesia to retain control over the choices it makes in its relationships with other states.³⁷⁹ The following government official’s statement states it clearly:

³⁷⁷ The outcomes of the negotiation might be perceived by the parties as fair. See Deborah Larson, “Exchange and Reciprocity in International Negotiations,” *International Negotiation*, 3 (1998): 121-138.

³⁷⁸ R.B. Cialdini, *Influence: Science and Practice* (New York: Harper Collins, 1993), 35.

³⁷⁹ Hein, (1988). Also see Rizal Sukma, “Indonesia’s *Bebas Aktif* Foreign Policy and the ‘Security Agreement’ with Australia,” *Australian Journal of International Affairs*, 51 (1997): 231-241.

In the constitution of 1945, our political aim is to be free and active, so we must not discriminate against countries. All countries have the right to have a relationship with us. Any agreements must be mutually beneficial....I will constantly support efforts in strengthening the cooperation between Indonesia and other countries. All other countries have equal opportunities to build a relationship with Indonesia. (*Indonesian government official (Respondent 11)*)

This comment illustrates that, through the free and active foreign policy, Indonesia closely guards its right to interact with any country it chooses, and that it will not be dissuaded from interacting with any state at the behest of another. Although this policy has guided Indonesia in its foreign relations since gaining independence, its meaning has been construed differently since it was first made popular during the Sukarno era. The first vice-president, Vice-President Hatta, who popularised the use of the term, stated:

Have the Indonesian people been fighting for their freedom for no other course of action to be open to them other than to choose between being pro-Russian or pro-American? Is there no other position to be taken in the pursuit of our national ideas? The government is of the opinion that the position to be taken is that Indonesia should not be a passive party in the arena of international politics but it should be an active agent entitled to determine its own standpoint with the right to fight for its own goal—the goal of a fully independent Indonesia.³⁸⁰

³⁸⁰ *Mendayung Diantara Dua Karang* (Jakarta: Ministry of Information, 1951); Michael Leifer, *Indonesia's Foreign Policy* (London: Allen and Unwin, 1983), 20.

To Hatta, 'active' meant being involved in international politics, and 'free' meant that Indonesia was to make its own decisions without undue influence from foreign states.³⁸¹ The interpretation of the above respondent (respondent 11) on Indonesia's free and active foreign policy is consistent with the view of the Suharto era when the free and active terminology was interpreted as, "free to make our own decision as to how we can best meet our national needs at a given time."³⁸² In this context, the free and active doctrine makes clear that Indonesia will guard its flexibility and will be quite pragmatic in its approach.

As noted, mutual benefit was emphasised by a number of Indonesian respondents. For example, one respondent stated:

Without exchanges and cooperation with foreign education institutions, we would be unknown. Not many would know the Bandung Institute of Technology even though it is one of the world's ranked universities. So, the co-operation will certainly increase the feasibility of our universities in the eyes of the international community. Also, our researchers and educators will be acknowledged in the international community. From there, there will be cross-fertilisation between Indonesia and foreign partners. (*Indonesian government official (Respondent 5)*)

The latest world ranking of universities, published by Quackquarelli Symonds (QS), shows the rankings of three Indonesian universities in 2012: the University of Indonesia (ranked 273); Gajah Mada University (ranked 401); Bandung Institute of Technology (ranked 451).³⁸³ Although the Bandung

³⁸¹ Ibid.

³⁸² Gordon Hein, *Suharto's Foreign Policy* (Ann Arbor, California: UMI Dissertation Information Service, 1988), 42.

³⁸³ [Http://www.4icu.org](http://www.4icu.org).

Institute of Technology was lowly ranked in 2013, benefits will be forthcoming for the recognition Indonesia receives and for Indonesian education as academic collaboration is perceived to be a major, if not the only, way to proceed in developing an internationally credible tertiary education system. The view that international education associations alone will naturally lead to recognition, prestige, and reputation is arguably eclipsing the belief that merit and achievement within Indonesian tertiary institutions are the most significant and compelling developments to strive for. The following respondent commented:

International networks are very important, not only for us to enhance our international standing but also to support our students and professors or academic community to impact through interaction...we consider our university to be one of the best in Indonesia, but we realise that we are not yet respected on the international stage....We should co-operate with the universities that are better than us. We are ranked about 200 so we should co-operate with those ranked about 100....By cooperation with Harvard and American universities and others, we hope to take on their excellence and bring it back here. (*Indonesian director of an international office (Respondent 10)*)

Proceeding on the assumption that collaboration with higher ranked US universities will bring beneficial results for Indonesian universities, this respondent is relying on co-operation to improve the overall performance of Indonesian universities. Respect and standing are vigorously sought after.

The prestige and international recognition that was derived from associating with high profile US universities was perceived by the Indonesian respondents as particularly significant. The above respondents clearly point to the benefits of the relationship for Indonesian students, researchers, educators,

and education institutions. Being recognised internationally was regarded as a particularly important benefit of the education exchange with the US. American education is accepted in Indonesia and, as stated in the *Jakarta Post*, the US is one of the favourite destinations for Indonesian students pursuing higher education.³⁸⁴

Some Indonesian respondents dealing with the agreement saw no risks and only benefits arising from the exchange. As the following respondents stated:

My colleagues and I were able to go to the US as visiting scholars through the partnership. What is more, the programmes that the US has offered suit our needs. So, from my experience, there are no risks or disadvantages. (*Indonesian chair of international co-operation of a university in Indonesia (Respondent 18)*)

In my experience, there is no risk. Agreements are based on mutual benefits....The presence of foreign scholars here has led our professors to be more productive. (*Indonesian government official (Respondent 5)*)

The opportunity to go to the US as visiting scholars, having the needs of Indonesian education institutions fulfilled, and achieving positive synergies through collaboration with foreign scholars was seen by the above respondents to be the benefit for Indonesia. The reason collaboration with foreign scholars was perceived as leading Indonesian professors to be more productive can be explained further with the following comment:

In here, research is not the first priority in life.
We do the teaching. That is the first priority,

³⁸⁴ The *Jakarta Post*, "US Most Popular Foreign Study Destination," February 26, 1997.

but not the research. So the skills are not really that high here, while over there they have good skills. (*An Indonesian dean dealing with MoUs, (Respondent 14)*)

Comments that research was a lower priority suggest that this is an area where the relationship can help to develop the quality of the higher education system in Indonesia.

There were other benefits, for both Indonesian and American parties, according to most Indonesian respondents. According to these respondents, Indonesians gain research skills through research collaboration with American universities, and the US institutions gain access to Indonesia's vast natural environment for research. Presently, there is a dearth of research carried out by Indonesian professionals and professors. As such, Indonesia's rich natural resources are not cultivated for Indonesia's development. In this case, Indonesia benefitted from the research collaboration with the US. One the benefits for some of the US exchange partners has been the access to Indonesia's largely under- researched natural environment.

Although most Indonesian respondents regarded the relationship as mutually beneficial, they were concerned with Indonesia's vulnerability to exploitation, particularly in research.³⁸⁵ The following is one of the comments made:

Often foreign researchers use data here but they claim [it] as theirs. For instance, what I heard is research on health. They conducted their research on tropical diseases and health here and use data from here but they have their patent. That's unfair. (*Indonesian vice rector dealing with MoUs (Respondent 2)*)

³⁸⁵ Research is emphasised in the education exchange between Indonesia and the US.

This comment illustrates a concern with regard to intellectual property, and presents a challenge to current research collaboration. Although education collaboration is not necessarily a research arrangement, research is an integral part of the education relationship with the US. In one recent incident, in 2007, a significant dispute led to the withdrawal by the Indonesian government from the Global Influenza Surveillance Network (GISN) because of the concern that its strains of H5N1 would be used to make vaccines in developed states and then be resold to Indonesia, with the developed states asserting the vaccines as their sovereign property.³⁸⁶ The Indonesian government withdrew in order to avoid a loss of sovereignty and to minimise the risk that it would become vulnerable to multinational drug companies seeking to profit from vaccines developed using Indonesian materials. While medical researchers in the West were dismayed by Indonesia's decision, given its implications for global health security,³⁸⁷ Indonesia's action displayed its concerns at the prospect of international access to its H5N1 and foreign research conducted in Indonesia.

American respondents asserted that the education exchange was mutually beneficial. Their comments pointed to the importance of Indonesia politically, economically, environmentally, and culturally, and they also viewed the relationship as beneficial for both countries. Indonesia has significant influence on a number of security and economic issues of importance to US interests. Indonesia is the world's largest Muslim nation and third largest democracy. Using the most populous Muslim nation to reach the wider Islamic world is persistently cited as the importance of Indonesia to the US.³⁸⁸ Indonesia has also actively participated in the Non-Aligned Movement,

³⁸⁶ Rachel Irwin, "Indonesia, H₅N₁, and Global Health Diplomacy," *Global Health Governance*, 3 (2010):1-21.

³⁸⁷ Stefan Elbe, "Haggling Over Viruses: The Downside Risks of Securitizing Infectious Disease," *Health Policy and Planning*, 25 (2010): 476-485.

³⁸⁸ *China Daily*, "Obama Warms Indonesia Ties; Volcano May Cut Trip," Tuesday May 13, 2013; Toby Harnden, "Barack Hussein Obama: US "One of the Largest Muslim Countries in the World"," *Telegraph*, last modified May 14, 2013, <http://www.telegraph.co.uk/news>; *BBC*,

the Association of Southeast Asian Nations (ASEAN), and the Organization of Islamic Conference (OIC), ASEAN Regional Forum (ARF), and the Asia-Pacific Economic Cooperation (APEC) forum. Economically, the US is one of the largest investors in Indonesia.³⁸⁹ Given Indonesia's substantial influence on a number of security and economic issues of importance to the US interests, it follows that there would be an interest in understanding Indonesian culture as a way of enhancing effective negotiations.³⁹⁰ Indonesia is also environmentally important with its rich volcanic mountains, rainforests, coastal mangroves, and coral reefs. Indonesia is also rich in biodiversity -second only to Brazil- and rich in oil, gas, coal, mineral deposits, timber, and rubber.³⁹¹ Thus, Indonesia provides important landscapes for American academic research into volcanos, coastal mangroves, coral reefs, rainforests, and energy resources. Nevertheless, for some American respondents, while both states benefitted, the level of benefits was not necessarily equal; it was, however, sufficient to sustain American involvement. This idea is captured by the following comment:

They [relationships] are mutually beneficial. Perhaps not equally beneficial at all points, but there have to be returns to both partners to sustain interest and stimulate the search for growth. (*American respondent dealing with education exchanges between Indonesia and the US (Respondent 12)*)

"Obama Hails Indonesia as Example for World," last modified May 13, 2013, <http://www.bbc.co.uk/news/world-asia-pacific>.

³⁸⁹ US Trade Information Center, "Political and Economic Environment," last modified May 12, 2013, <http://export.gov/Indonesia/>.

³⁹⁰ Indonesian cultural values, in general, are described in the American Indonesian Chamber of Commerce, "Culture and Business Trip," last modified May 10, 2013, <http://www.aiccusa.org/culturaltips.html>.

³⁹¹ Indonesian Investment Coordinating Board, "Facts of Indonesia: Natural Resources," last modified May 4, 2013, <http://www.bpk.go.id>.

The following comment by an American director of international education with strong links to Indonesia emphasised the benefits to the US of a close association with the rich traditions, culture, and economy of Indonesia:

I think the mutual benefits are tremendous. My perspective is a much broader perspective of why we should be developing the partnership....It [Indonesia] is a country that has a rich tradition, has a lot of interesting aspects to it; culturally, politically, economically, environmentally, from the standpoint of health issues, and almost every issue you can look at there are really fascinating things going on in Indonesia. So, for me that is enough of a rationale to attract, on the one side. (*American director of international education (Respondent 20)*)

The above respondent indicated that it was the close association with Indonesia itself that was seen as providing the benefit. As mentioned earlier, most American respondents stated that Indonesia is culturally, politically, economically, and environmentally important. For the above respondent, issues concerning health provided sufficient rationale for having a close association with Indonesia. Many of the health threats in the developing world are endemic to Indonesia, including avian influenza (H5N1) and swine influenza (H1N1), and Indonesia has the highest incidence of dengue fever and tuberculosis in Asia.³⁹² Hence, Indonesia provides a rich context for medical research.

Some American respondents dealing with MoU also commented that cross-cultural relationships were the most important advantage in the relationship. One respondent stated:

³⁹² US Department of State, "Indonesia: Country Specific Information," last modified May 12, 2013, <http://www.travel.state.gov>.

The most important thing to me is the cross-cultural relationship because I think that is the basis for a peaceful world; if we know real people. If we see people as far away objects it is easy to have competition and war. If we see them as real people, it reduces that and makes it more likely we will have peace and co-operation. (*American respondent negotiating and administering MoUs (Respondent 16)*)

Respondent 16 is clear in stating the benefit of the education relationship as building closer cross-cultural understanding. The education relationship creates a greater degree of cross-cultural understanding; it increases human understanding, and it reduces the likelihood that people in other parts of the world are seen as 'objects'. This respondent suggested that the greater cultural understanding developed in the exchanges increased the chances that nations will co-operate and engage peacefully. The friendship developed in the exchanges, articulated by the above respondent, was a contribution to international co-operation and peace.

The norm of reciprocity is purposeful, in the sense that there are expectations as to the others' behaviour. When the parties do not see mutual benefits and a win-win situation, negotiations will not begin, or will be terminated.³⁹³ In the negotiations, there is deliberate seeking of reciprocal, equitable advantages. The following comment, which refers to a situation where negotiations will begin when the parties see mutual benefits and a win-win condition, captures this point:

When we started we just thought this school had to have an 'international' component in it. We build international, that's how we work with our partner. Our partner came in as a

³⁹³ Frank P. Fetsch and Alice Landau, "Symmetry and Asymmetry in International Negotiations," *International Negotiation*, 5 (2000): 21-42.

consultant to us, so we pay them as experts and consultants to us. Later on when we are already established and we are moving to accreditation, then our partner becomes really an equal partner. They send their students here to take a look at our schools. Then, we send our faculty members over there and the same thing happens. So there is mutual benefit for both of us. (*An Indonesian dean dealing with MoUs (Respondent 14)*)

The above comment demonstrates how an educational exchange agreement developed over time through the build-up of mutual knowledge and trust and an awareness of the potential for on-going mutual benefit. In this situation, the relationship began through consultancy work and advanced to being an agreement between universities with student and faculty exchanges. The respondent saw the potential for a more reciprocal alliance and further mutual benefits by extending the relationship. Fetsch and Landau argue that if parties see potential for gains, they are more likely to enter negotiations, and if they do not see any gains, they will not.³⁹⁴ In this instance, the relationship started from Indonesian willingness to collaborate with American parties. Some lessons can be learned from this occurrence: a negotiation takes place when parties see the benefits from the agreement, and when the parties see prospective win-win outcomes; the relationship develops over time, knowledge and trust are built up, and there are further opportunities for both parties for mutual benefits by extending and prolonging the relationship.³⁹⁵

³⁹⁴ Ibid.

³⁹⁵ In the Indonesia-US education relationship, the US is a stronger party with regard to its education. Although most Indonesian respondents stated that the education relationship with the US is mutually beneficial, they regarded American education as being better and highly prestigious.

Differences in regulations require negotiations for maximising the benefits from the relationship. The following respondent commented on the complexity of the exchanges due to differences in regulations.

The hard thing [in the negotiation] is getting the same credit hours because we have different credit hours. Here is general education. In the US it is also general education course....They said “whatever you get from Indonesia, it will be transferable to the US as for example 80 credit hours. But it is still considered general education.” Now, the subject matter courses over here are not going to be transferred as subject matter courses. It is going to be transferred as general education courses. So, if it is accounting one over here you have to have it in the US, when actually, you have already passed...They understand our rules. They accept them. But they cannot accept that our rules are this that you have already succeeded. So there is no deal yet. *(Indonesian dean dealing with MoUs, (Respondent 14)*

Recognition of Indonesian educational qualifications and adjustment of credit hours are some factors that hinder the development of academic collaboration and successful implementation of the dual degree. Thus, even though double or dual degree is desired by the Indonesian parties and seen as one of the benefits from the relationship, the double degree is not easily implemented. The following respondent commented:

The other thing we wanted to do was to have some kind of a dual degree programme between the two universities. But that never worked out because of the restrictions on these kinds of degrees.

We've never been able to do that; we're still talking about it and it hasn't happened yet.
(American respondent negotiating and administering MoUs (Respondent 16))

Respondent 16 reveals that agreements on programme provision for double degrees, such as credit transfer, as noted above, are not easily negotiated. Teichler argues that recognition of prior learning is an issue in the transnational education relationship, due to difficulty in measuring equivalent knowledge and competence.³⁹⁶ Likewise, dual or double degree programmes were regarded by the Indonesian respondents to be the most beneficial aspect in the education relationship; although they were not easily implemented in the education relationship.

Although the adjustment of credit hours is not easily achieved, Indonesian negotiators attempted to re-negotiate. The following respondent indicates how agreement was reached and approved by the Minister, and how adjusting credit hours is possible through re-negotiation:

We have to re-negotiate everything. We sit together with the faculty members and finally, they make the same credit hours....Then we took that to our Minister of Education and then, with ups and downs, it was agreed upon.
(Indonesian dean dealing with MoUs (Respondent 14))

In the case of double degree negotiations and the negotiations over credit transfer, lack of recognition of prior learning is the impediment to successful negotiation. Recognition of prior learning is indeed an issue, due to

³⁹⁶ Ulrich Teichler, "Mutual Recognition and Credit Transfer in Europe: Experiences and Problems," *Journal of Studies in International Education*, 7 (2003): 312-341.

difficulty in measuring equivalent knowledge and competence.³⁹⁷ The following comment illustrates the obstacle to successful negotiation due to recognition of prior learning:

I don't agree with the idea of general education in the US. Freshmen and sophomore years are general education. Over here general education is *graded* hours. That means only one semester, that is it. After that you go directly into the content, the core competencies...But they said "We cannot change the general education. You have to get a general education. So whatever you do in Indonesia, for two years, it will be counted as general education." It means it is disadvantageous for our students, because it means they have to redo the courses which they have already got over here, because they get that over here within the first two years. I said I didn't want to do that. They are imposing. We can say, "No." But the deal is not there. (*Indonesian dean dealing with MoUs, Respondent 14*)

The above comment illustrates the American requirement of having general education in the US is disadvantageous for Indonesian students because of non-recognition of Indonesian courses by American education providers. The comment also illustrates that Indonesian negotiators were able to negotiate credit transfer with their American counterparts. Since Indonesian negotiators have been able to assert themselves in the negotiations, the fear or concern of homogenisation of education is overstated. The US still refuses automatic recognition of foreign courses and degrees, and applies detailed procedures which encompass detailed analyses of courses and curriculum

³⁹⁷ Ibid.

structure, content, and the examination system.³⁹⁸ For American parties, although they understand Indonesian regulations of general education, Indonesian students studying at American education institutions must take general education courses in the US. This becomes the obstacle in reaching agreement.

In summary, both Indonesian and American respondents claimed that the Indonesia-US education relationship was beneficial. Being recognised internationally, along with the opportunity for research collaboration and the opportunity to go to the US as visiting scholars lead to the conclusion that the needs of Indonesian education institutions were being fulfilled through the relationship, whereas for the American respondents, Indonesia was considered important culturally, politically, economically, and environmentally. Although the level of benefits was not necessarily equal, they were perceived by American respondents to be sufficient to sustain American involvement. Both Indonesian and American respondents perceived the Indonesia-US education relationship as mutually beneficial. For the Indonesian respondents, research collaboration was perceived to be beneficial for both Indonesian and American parties. For the American respondents, the Indonesia-US education relationship was beneficial for both Indonesia and the US because of knowledge and cultural sharing. Past disputes on research, however, present a challenge to the current research collaboration. It has indeed influenced the attitude of some Indonesian respondents dealing with international research collaboration toward education collaboration.

³⁹⁸ Ibid.

6.3.2 On equality

While there was an acceptance that the education relationship with the US was mutually beneficial, it was apparent that Indonesian respondents saw American education as being of greater quality and more prestigious than that provided by the Indonesian institutions. In this context, the US may be thought of as the stronger party.

Although for the most part, aspects in the relationship are equal, such as the ability to make decisions surrounding exchange agreements in the relationship, there are some aspects where the parties in the relationship are not equal, as in the quality of American education and in the higher level of American financial contributions.³⁹⁹ As the following respondent noted:

...there must be equality in the partnership. We have capacity and superiority but in some cases we do not have the capacity to be equal. Foreign education institutions, for instance, may have higher quality than ours. My experience shows that the most difficult aspect in the education partnership is to maintain sustainability and to maximise the partnership. The obstacles are language capability and limited budgets....We are not top universities in the world but our partners are the world's top ten. (*Indonesian vice rector dealing with MoUs (Respondent 2)*)

Respondent 2 also clearly stated that financial constraint and the higher quality of American education over Indonesian education are the obstacles to being equal in the relationship. What is more, English language incapacity is an obstacle. To retain sufficient English test marks for studying in English speaking states requires money that only some could afford.

³⁹⁹ The US has made financial commitments of \$165 million over five years in the education programmes with Indonesia. This contribution has produced institutional advancement. High financial contributions are sometimes overlooked in the respondents' comments.

Financial shortfalls do feature often in the interview responses. Flexibility and consideration are embraced in order that the exchange prospers, and funding shortages do not adversely influence necessary and desirable outcomes in the relationship. As illustrated by the following respondent:

...we tried to work with Washington State University. They have an expert in Educational Leadership. This person has written a book which has been translated into Indonesian....What we were trying to do was bring him here, of course at our expense. But because it was at our expense we tried to minimize our expense. We don't have the luxury of being able to give money to everybody. We have to be efficient. So, he had to travel to Thailand, twice last year, first in September and then in November. What he wanted is that he is invited directly from the US to Jakarta which is very expensive. It would double the cost and we don't have the luxury of that. *(An Indonesian dean dealing with MoUs (Respondent 14))*

This comment underscores the priority that spending has in supporting the purposes of the education relationship. The Education and Leadership programme, according to the respondent above, though highly advantageous for Indonesians was an initiative that was compromised due to a shortfall of funds. The following respondent also stated:

If we have visiting scholars from the US we need to provide them with accommodation and so on. As I have mentioned, we do not have money. We do not have other sources of income, only from students, and our students are mainly from the lower middle class. Their programmes are excellent. Unfortunately money

is the obstacle. Perhaps, it would be better for our students to have student exchanges in Jakarta if the programmes that the US offered are not what we really need. There are many who want to go to the US but they cannot because of financial constraints. Finance is the biggest obstacle in the partnership, then the language. (*Indonesian chair of international cooperation of a university in Indonesia (Respondent 18)*)

Again, financial constraints are viewed as the obstacle in the relationship. Although educational exchanges and collaborations are perceived by the respondent to be excellent, finance is the impediment to improving the numbers of Indonesian students studying to the US.

Lack of research skills is also perceived to be another aspect that renders the relationship unequal. The following comment explains this point:

That is when the thing happening is not equal, because our people over here, the faculty members here, may not be able to do research as complicated as their research. So the skills are not really that high over here, while over there they have good skills. So if it is supposed to be equal, it is not equal. (*An Indonesian dean dealing with MoUs (Respondent 14)*)

The respondent sees the dearth of research skills among Indonesian researchers as a handicap in the relationship and a distinct disadvantage to Indonesia. Although such shortcomings present an opportunity for research skills to be learned, the above respondent saw that the research skills in each partner were not equal, in the sense that Americans have better research skills than do the Indonesians.

The attempt of Indonesians to establish themselves as equal parties in order to achieve any gains from the relationship does not mean that they simply try to present themselves as equal. The achievement of a sense of equality in the relationship has evolved over time. It has not always been there. Indonesian negotiators have made four main attempts to establish themselves as equal and to maintain equal status in the relationship by: maintaining beneficial cooperation; contributing financially in the relationship; conducting academic collaboration for gaining international acknowledgement; and, using natural resources as the bargaining power. The first attempt, maintaining beneficial cooperation, is best illustrated by the following comment:

If they are sending 10,000 compared with the population of Indonesia it should be the same effort from other countries to send their students to Indonesia because it isn't fair. Therefore, I constantly ask the US government through the US embassy here to send their young students to Indonesia. Now we have a special programme. They are sending young students to stay in Indonesia from six months to one year. (*Indonesian government official (Respondent 11)*)

Striving for equality has various criteria, and the above respondent is concerned about the number of student exchanges. Quotas do not feature in MoUs, though encouraging student exchange is regarded as an indicator and measure of the general capacity and health of the bilateral education interchange. It is important to note that universities in Indonesia tend to be reluctant in accepting high school students with foreign qualifications.⁴⁰⁰ Thus,

⁴⁰⁰ This view has been widely recognised. Also see Frederik Dharmawan and Eric Koo Peng Kuan, "Adopting International Curricula for the Indonesian Context," *Jakarta Post*. Sunday, November 9, 2008.

the length of foreigners to study in Indonesia usually would be short term. The above respondent commented further:

In OECD countries, whenever governments send officials to study abroad with their family, wife or children, the children must go free whenever they go to public schools. But in Australia they had to pay the fees. I came to Australia and chaired the meeting. I sent a message that it must be changed because I saw it was not the same in other OECD countries. I sent a message to the government to give children schooling free of fees. But they said that it is impossible because in Australia the decision needs to be made at the ministry level. The message I gave was that if I hadn't heard by the end of November 2009, I would send letters to all rectors in Indonesia to reconsider sending their faculty members to Australia....The department of diplomatic affairs said that the statement was very strong. We would stop sending. They thought that I was kidding. They agreed and they sent letters to all rectors in Indonesia and I myself released the information to the media. Then, within months they were able to solve the problem. This is in our best interest. I have to work hard for our best interests. *(Indonesian government official (Respondent 11))*

Although the comment is not referring to the US, the comment illustrates that the negotiator enters into agreements that suit the interests of Indonesia. It does not mean, however, that the Indonesian parties enter into agreements that only suit their interests and not the interests of foreign parties. As he stated clearly:

Another time I made a condition that we will send more [there] if Australia's school teachers come to Indonesia. So, they reconsidered and we tried to accommodate mutual benefits. *(Indonesian government official (Respondent 11))*

The second attempt by Indonesian negotiators to establish themselves as equal in the relationship is to contribute financially in the relationship. Financial resources are perceived to have the potential to engender equality in decision making. This idea is illustrated by the following respondent:

From our experience, the sponsors are often dominant but now we are more independent financially. We are now more capable and have the capacity to be equal in the partnership. *(Indonesian vice rector negotiating and administering MoUs (Respondent 2))*

Being less dependent financially in the relationship, for the above respondent, is necessary in order to be able to make independent decisions. Another respondent commented:

We also need to maximise funding. For example, DIKTI has joint funding with Fulbright. With this joint funding, they will see that we also make a contribution. *(Indonesian government official (Respondent 8))*

This comment illustrates the concern of the respondent to maximise funding but, at the same time, to be careful so as not to be seen only as a recipient in that process, by also making a financial contribution. The DIKTI-Fulbright scholarship scheme is under the auspices of the AMINEF (American Indonesian Exchange Foundation), one of the US government's schemes in education. Unlike USAID where there is more a donor-recipient relationship, AMINEF places emphasis on the mutual commitment of both parties not only

in the activities of the foundation but also in funding. According to the MoU of AMINEF, both parties have committed to sustain the relationship not only by facilitating the exchange programmes but also by securing funding through seeking and receiving donations from public and private sectors (see appendix E). Both parties approve jointly the annual budget of the foundation, for which the parties shall, within the limit of their respective budgetary appropriation, assume the obligation of contributing funds to the foundation. There is a notable absence of stipulation or demand surrounding the actual fiscal amount or percentage each party must pay. Financial commitment is consensual, as both parties approve the budget jointly, and contribute within the limit of their budgets.

The Indonesian financial contributions to the relationship have received positive comments from the US negotiators. One American respondent commented:

The funding, or a lot of it, now is coming from the Indonesian institutions to send that faculty member to have that experience. So, I think that is going to open up that relationship and open up those possibilities a lot. I think there really is an interest on the part of American institutions to have Indonesian faculty come and work with them and have Indonesian students come. But there are financial constraints now; many more constraints than there used to be in the US, just because of funding difficulties. So, if the funding is there, certainly the willingness is there from the US side. (*American director of international education (Respondent 20)*)

Funding certainly features in the abilities of parties to collaborate in education exchanges. Though there is a willingness of parties to work jointly on education exchanges, funding is a necessity. The growth of the Indonesia-

US education exchange has been supported and welcomed by both states, and the mutual, consensual provision evident in the MoU is further evidence both parties consider the relationship to be long term and equally beneficial.

The third attempt of Indonesian negotiators to establish themselves as equal in the relationship is through academic collaboration for gaining international acknowledgement. This aspect is captured by the following respondent:

[With double degree] there is acknowledgement from universities on a world scale that we are equal. This acknowledgement is important because if our graduates want to go overseas they can cross-credit and work. *(Former Indonesian rector and MoUs negotiator (Respondent 7))*

For the above respondent, equality means having an equally high standard of education so that graduates are able to work in developed states. This outcome is possible through academic collaboration with the US through, for instance, the double degree plan. The respondent refers particularly to education standards and the feasibility of graduates cross-crediting achievement. He saw this accreditation as a win-win consequence from the relationship, the potential to be equal in quality and calibre to foreign counterparts, and in providing international career opportunities for graduates.

There are, of course, obstacles to collaboration through double or dual degrees. As one respondent commented:

Language is the barrier for the dual degree programme. We have English language programmes on our agenda but they have not developed. For dual degree programmes, when we want to send our students through USINTEC, they need to have English language skills and

that's our weakness. The faculty is another obstacle. Our faculty is not good. And I think our faculty is not good because we do not have money. From the American side, they ask for a contribution but that is not easy. Our university is not rich. Our students are mainly from the lower middle class and not many can afford it and we cannot afford it. (*Indonesian chair of international cooperation of a university in Indonesia (Respondent 18)*)

Underfunding as a hurdle is reiterated in the statement above. Other challenges which demand financing such as infrastructure and language development are also highlighted, and these underscore the complexity of developing education exchanges. Programmes are dependent on appropriate levels of funding, the same programmes which equip graduates to compete internationally.

Despite Indonesian universities being underfunded, under-resourced, and falling short of the standards of world ranked institutions, acknowledgement from universities on a world scale is not impossible. The latest world ranking of universities, published by Quackquarelli Symonds (QS), has shown that the University of Indonesia was ranked 273 in 2012.⁴⁰¹ Further, the ability to cross-credit with international universities is a measurable sign of equality to which planners can aspire. The following respondent commented that gains from the relationship included the potential to be equal in quality and calibre to foreign counterparts:

...we just have a benchmark that we have equal quality. To be honest, having better and better economic conditions in Indonesia, the numbers of the middle class are increasing every year and those middle classes are the markets for the

⁴⁰¹ [Http://www.4icu.org](http://www.4icu.org).

foreign universities. They are more aware of the importance of having better education and most of them are seeking universities abroad because of the limited capacity in Indonesia. We are unable to improve capacity in the short time while the growing numbers of the middle class are quite substantial. Therefore, they seek education abroad and those people are the market of the foreign universities. So, of course in the long term Indonesia gets the benefit because they come back to Indonesia. (*Indonesian government official (Respondent 11)*)

Due to the incapacity of the Indonesian government to improve its education infrastructure in an environment of growing demand, as the middle class grows, education by foreign providers is considered to be beneficial if not essential to the vision of raising and developing education standards and achievement.

The fourth attempt on the part of Indonesian negotiators to establish themselves as equal parties in the relationship can be seen through the references made to Indonesian natural resources as a source of bargaining power.⁴⁰² Most Indonesian respondents stated that Indonesia is rich in natural resources and emphasised access to these in negotiations.⁴⁰³ As noted earlier, Indonesia has a system of volcanic mountains covered with rainforest, coastal mangroves, and coral reefs. It is also rich in biodiversity, being second only to Brazil, with oil, gas, coal, mineral deposits, timber, and rubber.⁴⁰⁴ In return, the experience of collaborating with prestigious universities, improving

⁴⁰² H. Waelchli and D. Shah, "Crisis Negotiations between Unequals: Lessons from a Classic Dialogue," *Negotiation Journal*, 10 (1994): 137.

⁴⁰³ Both American and Indonesian respondents stated the importance of Indonesia's natural resources in the relationship. See chapter 7 and chapter 8.

⁴⁰⁴ Indonesian Investment Coordinating Board, 'Facts of Indonesia: Natural resources', last modified May 4th, 2013, <http://www.bpkp.go.id>.

Indonesian education quality, and receiving financial assistance are all gains from the relationship.

Some Indonesian negotiators expressed their concerns over the potential to be exploited by their American counterparts. The following respondent commented on the potential for exploitation, and asserted the principle of self-determination:

Of course there are several risks or disadvantages. This is what we want to avoid. We would not want to be exploited. I think this might be about the liberalisation of education. We don't want this cooperation becoming a kind of gate for further liberalisation. If we have to liberalise our education system it should come from us. I mean, if we think it is good, we will do it. Not because other partners force us to do it. There are several things we think are too much, like exploitation. (*Indonesian director of international office at an Indonesian university (Respondent 10)*)

This respondent saw the necessity of retaining control of the commercialisation of education within Indonesia. Although not averse to liberalisation, she saw the process as having to reside under the control of Indonesia. Implicit in the above quote is an intent to assert the equality of the US and Indonesia and to protect Indonesian self-determination and retain the ability to make decisions in the relationship.

Most American respondents did not mention the term 'equality'. Nonetheless, the following response emphasises that gaining equality is possible:

I think the starting point and the ending point really need to be finding some way to achieve that equal ground. Even if perhaps the financial

resources behind one of the institutions is much greater than the other. (*American respondent dealing with the US-Indonesia education exchange (Respondent 20)*)

Though financial inequality is apparent, and at times exceptional, the respondent above is emphatic that equitable terms are accomplished. Although institutions do not have equal financial resources, MoUs stipulate contributions are made only according to each party's strengths and advantages.

Most Indonesian respondents indeed perceived that Indonesia's incapacity to be equal was due to fiscal constraints, the credibility and superiority of American education, Indonesian's English language inadequacy, and a deficit of research skills. Yet, there have been attempts to act on perceptions of inequality, in order to achieve greater equality. The government of Indonesia, for instance, has contributed in the form of grants and scholarships for Americans who want to study languages, culture, and the arts in Indonesia. Similarly, the US has contributed by responding to Indonesia's need for education scholarships and grants, technical assistance, joint degrees, joint research, and education exchanges.

The experiences and perceptions of Indonesian negotiators and those involved in the education transactions illustrate that there have been attempts to maximise the potential for arrangements to be equal. Whether the Indonesia-US education relationship diminishes Indonesia's educational sovereignty can be evaluated based on the extent to which equality functions in the relationship. How Indonesian negotiators perceive equality is one factor contributing to the maintenance of Indonesia's sovereignty in education (see chapter 8).

In summary, Indonesian respondents dealing with the negotiations and MoU emphasised the importance of being equal in contributions, equal in

recognition, and equal in calibre. They also were careful to assert that the Indonesia-US education relationship was a reciprocal relationship, and it was on this basis that they approached the negotiations. The crux of a reciprocal relationship is that all parties, whether weak or strong, have potential gains from the relationship. As the parties got to know each other through the initial phases of their relationship, trust and understanding were established, and these provided a basis for exploring extensions to the relationship. For Indonesian respondents, although equality is shown in most aspects in the relationship, inequality is shown in some aspects such as in finance and education quality. As negotiators from a weaker party, the Indonesian respondents dealing with the agreements worked to reach and maintain equal status. Indonesian negotiators made three main attempts to establish themselves as equal in the relationship: contributing financially in the relationship; conducting academic collaboration for gaining international acknowledgement; and, using natural resources as the bargaining power.

6.3.3 On cultural values

Concern with the maintenance of Indonesian cultural values was a theme that emerged from the respondents' comments and had not been part of the researcher's schedule of issues to explore.⁴⁰⁵ The concern was related to Indonesian identity. One Indonesia respondent commented:

It is absurd we send our students there at Berkeley and Harvard but they apply American economic concepts here in Indonesia with the result that capitalism is becoming the economic values here. We lose our identity.... Capitalism certainly has self-centred values too because of high competition, and that can ruin unity. Globalisation as an excuse is ok but we are

⁴⁰⁵ The researcher asked only one question on culture, to one Indonesian respondent (Respondent 6).

Indonesian and we have our own identity.
*(Indonesian vice rector negotiating and
administering MoUs (Respondent 2))*

This comment indicates the tension between traditional values and uniqueness, and processes of globalisation, including transnational education. The seeding of capitalism through transnational education is seen by the above respondent as a threat to social unity in Indonesia. Although capitalist enterprises have been in Indonesia from the late nineteenth century, when asked if there were any risks or disadvantages for Indonesia from the Indonesia-US education relationship, most Indonesian respondents indicated a concern about the loss of Indonesian cultural values.

A key aspect of this sense of Indonesian cultural values related to the need to preserve a collectivist identity. Interconnection, relational harmony, protection of in-group interests, status and authority, and the interdependence of individuals were seen as constituting this identity.⁴⁰⁶ The emphasis was on interdependence, not individualism.⁴⁰⁷ As the following respondent commented:

In cultural aspects, this is only my impression, we are not self-centred. We are not like we used to be. I guess that is because of foreign influences, whether as a result of the penetration of popular culture or through education partnership. *(Indonesian vice rector negotiating and administering MoUs (Respondent 2))*

⁴⁰⁶ Deborah Cai, Steven Wilson, and Laura Drake, "Culture in the Context of Intercultural Negotiation: Individualism-Collectivism and Paths to Integrative Agreements," *Human Communication Research*, 26 (2000): 591-617; SH Schwartz, "Individualism-Collectivism: Critique and Proposed Refinements," *Journal of Cross-Cultural Psychology*, 21 (1990): 139-157.

⁴⁰⁷ It is outlined and discussed further in chapter 9.

There is a recognition that foreign cultural influence is inevitable, whether through education exchanges or as a result of global interconnectivity. However, the protection and maintenance of Indonesian cultural values was a key priority in the negotiation process. The following is one of the comments on ways to protect and maintain Indonesian cultural values:

We have regulated so that they will not imitate their [foreign] values. (*Indonesian government official (Respondent 8)*)

The respondent was not clear, however, and did not elaborate on how regulations were helping to prevent individuals from imitating others' values. Nonetheless, as discussed in chapter 4, the government of Indonesia emphasises a character-based curriculum in its education system, in which Indonesian cultural values are expected to be preserved. The above comment also illustrates the exercise of sovereignty in negotiations with the aim of maintaining local cultural values.

Education exchanges are valued for enhancing understanding between groups and, therefore, ensuring cultural sensitivity is maintained throughout the exchange prioritises people before commerce. The following respondent clearly stated her position in protecting Indonesian cultural values and identity:

The internationalisation of education that we want is not to be in conflict with our values. Internationalisation means professors, students, lecturers come to our universities. Whatever the activities, they should not be in conflict with the values of Indonesian people. So we will not do an activity that we think is against our value. We don't want internationalisation to destroy our identity. (*Indonesian director of the international office of a university in Indonesia (Respondent 10)*)

There is an apparent conflict between the internationalisation of education, as manifest in education exchanges, and the preservation of cultural values. The respondent above prioritises safeguarding cultural values above the maintenance of identity. However, culture cannot be entirely insulated. Foreign people who visit the nation in the various capacities offered on campuses, do bring their own culture and are often envied by the local people, and this influence can hardly be legislated against.⁴⁰⁸

Culture is central to the Indonesia-US education relationship. Most Indonesian respondents perceived the importance of cultural exchange in enhancing understanding between Indonesia and the US. Likewise, American respondents stated the importance of culture exchange in enhancing cross-cultural understanding. As one respondent stated:

Speaking as an anthropologist, I feel like one of the most important things I'm doing is fostering cross-cultural relationships and cross-cultural understanding. To me that is the most important thing. (*American respondent negotiating and administering MoUs (Respondent 16)*)

The concern with cultural relationships and understanding illustrates how a reciprocal relationship can be sustained rather than succumbing to the seeding of one culture with the values of another as both parties share their cultural values. Nonetheless, an intercourse of cultures is a dynamic experiment and there is the potential that one culture will influence the other when bringing cultures together, specifically when ideas and values are exchanged.

In summary, Indonesian cultural values are important for Indonesian negotiators because they are integral to the Indonesian identity. There is a

⁴⁰⁸ Anssi Paasi, "Boundaries as Social Processes: Territoriality in the World of Flow," *Geopolitics*, 3 (1998): 69-88.

tension between traditional values and uniqueness on the one hand, and internationalisation of education on the other, as manifest in education exchanges. In the case of the Indonesia-US education relationship, culture is central to the relationship. The reciprocal relationship is manifested in their shared cultural values.

6.3.4 On using the relationship for US political interests

As mentioned above, the theme of “learning from and about each other, and not for political gains”, repeatedly emerged in the interviews, although the respondents did not explain what they meant by political gains. Political repercussions in the Indonesia-US bilateral relationship are widely acknowledged in the media and literature. Political affiliations and repercussions are discussed in chapter 7.

Although political affiliation and repercussions are unavoidable, there was a notable lack of comment on any risk that the relationship was being used for political gains by the US. There was little evidence from both American and Indonesian respondents that the use of the education relationship for serving the political interests of the US was a real risk. It was apparent that these respondents saw that the education agreements were not about trying to bring political pressure on any of the parties: “No political connection in the education partnership!” (Indonesian government official (respondent 11)); “...the scholarships will be the same kind as in the past, and they won't be politicised.” (American respondent negotiating and administering MoUs (respondent 16)); “Most of them [the education programmes] are in these fields without political affiliation or agenda” (Indonesian international office staff administering MoUs (respondent 13)).

While they regarded mutual benefit as the basis of the relationship, transparency, at least for one respondent, was necessary:

...foreign countries must not use the partnership for political gains. So everything has to be clear and transparent from the beginning, for maximising the partnership. (*Indonesian vice rector negotiating and administering MoUs (Respondent 2)*)

Transparency was seen as being necessary to protect against the pursuit of political gains, and to get the most out of the education relationship. Some respondents dismissed the idea that there was a political agenda in the relationship, whereas others perceived the potential risk of the relationship as serving political interests of the US. The following comment captures this point:

Not all Americans care. In political aspects they have political gains that are not in our interests and indeed, against our interests. (*Indonesian vice rector negotiating and administering MoUs (Respondent 2)*)

The following comment sits in contrast to the previous one:

...the guiding principles in making agreements with international education institutions is first, of all they need to be based on academic levels: education, research, and public service. Most of them are in these fields without political affiliation or agenda. (*Indonesian international office staff administering MoUs (Respondent 13)*)

The following respondent clearly indicated that there was no room for political agendas in the education relationship.

Both presidents, Obama and SBY [Susilo Bambang Yudhoyono] want to find ways to improve the partnership. The US is now trying

to increase the numbers of our students studying in the US. No political connection in the education partnership! (*Indonesian government official (Respondent 11)*)

Several MoUs also state that the education exchange between Indonesia and the US is for improving understanding between the two quite different and distinctive states (see appendix E for examples of MoUs), and that scholarships and grants have been designed for the purpose of improving relations between them.⁴⁰⁹

In summary, while most Indonesian respondents commented that the relationship must not have political agendas, only a few of the American respondents commented that the education relationship should not be politically associated, although they also did not suggest that current practices served political interests. There was a notable lack of concern that the education relationship would be manipulated to serve the political interests of the US. All such relationships carry with them the possibility of being used in ways not intended by parties, but there is little evidence from respondents of concerns that this possibility was a real risk.

6.4 The management of American financial assistance

6.4.1 On mutual benefits

Both the Indonesian and American respondents dealing with American financial assistance management commented on how the US was involved in the broader development of Indonesia, and of the benefits of the relationship with the US. As one respondent stated:

What we are doing is investing in what is ideally a very positive way for Indonesia to

⁴⁰⁹ See <http://www.usindo.org>; <http://www.embassyofindonesia.org>; <http://www.indonesia.usaid.gov>; <http://www.state.gov>; <http://www.iie.org>.

develop. When we invest in scholarships, part of the programme is that the Indonesian professionals apply saying what their current role is that would be enhanced by this programme and [how] their current work place would be enhanced by them getting the graduate degrees. They can then commit to returning to their organisation or the government or the school, or wherever they are coming from. They commit to returning and their employer commits to them returning upon completion of their graduate studies. (*American respondent working in a US governmental agency (Respondent 17)*)

Scholarships, the development of facilities, aiding curriculum delivery, the development of staff competency, and exchange arrangements were forms of US investment in education development. Requiring Indonesian graduates to return to Indonesia was unquestionably important for the respondent above, and this is regarded as a viable strategy for Indonesia's development.⁴¹⁰ There is an obvious benefit to the Indonesian state, with a guaranteed workforce comprising graduates bonded to appointments in Indonesia. Scholarships do, however, benefit the scholarship provider by allowing scholars to study at prestigious universities that would otherwise ordinarily be outside the scope and realm of possibility for students from developing regions. Although the benefits to each state are not equal, and not identical, the relationship is perceived by Indonesian respondents to be reciprocal.

Two respondents dealing with the management of the financial assistance stated:

⁴¹⁰ See DIKTI, "Scholarship Programme Guidelines," last modified May 30, 2013, <http://www.beasiswa.dikti.go.id>.

Both Indonesia and America have come to the agreements based on mutual benefits. This is emphasised in the Comprehensive Partnership which was started in 2008 and developed in 2010. *(Indonesian official working in a US governmental agency (Respondent 6))*

If you look at the kind of projects we are funding in higher education research, there are clearly mutual benefits in all of these projects. Indonesia is really a ripe field site to do a lot of very interesting research. I think we are still a leader, maybe even the world leader in higher education. So I think it is still looked on as being prestigious for Indonesians to study in America and work with Americans. Americans still do have the cutting-edge expertise that can benefit Indonesians in partnerships. *(American respondent working in a US government agency (Respondent 19))*

Both respondents indicated a reciprocal relationship from which Indonesia and the US benefitted mutually. For Respondent 19, the US benefits because Indonesia is “really a ripe field site to do a lot of very interesting research”. Indonesians are also enabled to study in prestigious American universities. The following respondent articulated the benefits of the relationship with the US:

...the quality of educators is poor [in Indonesia] and the government of America has tried to support Indonesia in this area. *(Indonesian official working in a US governmental agency (Respondent 6))*

The above comment captures the awareness of the respondent that the US addresses Indonesia’s needs. The benefit to the US of improving the quality

of Indonesian educators is a better understanding of Indonesians. In this context, the relationship is reciprocal as the relationship has the potential for both states to gain beneficial outcomes.

6.4.2 On equality

For the respondents dealing with financial assistance management, equality and mutual benefits were linked. One respondent commented:

Equal partnership is where both have to be equal. Both Indonesia and America have come to the agreements based on mutual benefits. Equal partnership would guide us because both have to be equal.... In the area of finance, both donor and recipient are responsible for carrying out plans for achieving development goals.
(Indonesian official working in a US governmental agency (Respondent 6))

Equality in the relationship is also perceived by the above respondent as the condition where both states have come to the agreements based on mutual benefits. The experience and perspective of Respondent 6 above illustrates that agreements made were based on mutual benefit and equality, in which both Indonesia and the US are responsible for advancing Indonesia's development.

The question arises whether Indonesia depends on the US for its development or whether the US is exploited by Indonesia by being made responsible for achieving Indonesia's development goals. For the former, it is illogical to argue that Indonesia depends on the US for its development, as Indonesia imposed the condition that the relationship has to be consistent with Indonesia's strategic planning (RENSTRA), and the aim of Indonesia's development. For the latter, the answer is not straightforward. Although the US does not and will not get immediate results from being part of Indonesia's

development goal, it is necessary that the US contributes to the development of Indonesia for two main reasons. First, Indonesia is politically and strategically important to the US. Second, Indonesia provides a counterbalance to China as these states would also contribute financially to Indonesia's development.

It is advantageous to the US to promote Indonesia's development. In American foreign policy since World War II, the common view is that promoting development of other states serves US interests.⁴¹¹ From this point of view, the Indonesia-US education relationship is reciprocal in the sense that assisting Indonesia in its development would be beneficial not only for Indonesia but also the US.

Education is emphasised in RENSTRA and plays an important role in reaching the goals of development. In addition to the development aims, as noted below, Indonesia also aims to achieve Education for All (EFA) and those aspirations are stated in the Millennium Development Goals (MDGs).⁴¹²

RENSTRA embraces the following Indonesian laws:⁴¹³

1. The constitution (UUD) 1945;
2. Law on the state's income; number 17 of 2003;
3. Law on the national education system; number 20 of 2003;
4. Law on the state's treasury; number 1 of 2004;
5. Law on financial inspection, management, and responsibility; number 15 of 2004;
6. Law on national development planning; number 25 of 2004;
7. Law on regional government; number 32 of 2004;
8. Law on educators; number 14 of 2005;

⁴¹¹ David Baldwin, "Exchange Theory and International Relations," *International Negotiations*, 3 (1998): 145.

⁴¹² Ministry of National Education, "Strategic Planning," last modified, May 20, 2013, <http://www.kemendiknas.go.id>.

⁴¹³ Ibid.

9. Law on long term national development planning; number 17 of 2007;
10. Law on library; number 43 of 2007;
11. Law on child protection; number 23 of 2002.

The aims of Indonesia's development are:⁴¹⁴

1. Modernisation (2005-2010);
2. Serving society and ridding bureaucracy of corruption (2010- 2015);
3. Enhancing local competitiveness (2015-2020);
4. Enhancing international competitiveness (2020-2025).

While Indonesia is not dependent on the US for achieving its development, the US is regarded as playing a substantial role in Indonesia's efforts to achieve the aims of development, through financial contributions, teachers' education and training, and academic and research collaboration.

When Indonesia framed the condition that the relationship has to be consistent with Indonesia's strategic planning (RENSTRA), and the aim of Indonesia's development, the US gave its financial support. The following comments are relevant here:

We [US governmental agency] have strategies that are in line with [Indonesian] national educational strategy, education strategy set in Washington, and [US governmental agency] mission strategy. The way we develop is that we look at the priority of both countries.
(Indonesian official working in a US governmental agency (Respondent 6))

The statement illustrates the ideal overall and inclusive plan of operation, where strategies are decided based on the points of view of the US and Indonesian governments and the agency. These strategies are guiding both Indonesian and American parties whether at the non-state or state levels. The

⁴¹⁴ Ibid.

tactic of conferring and consulting with a variety of stakeholders avoids an *ad hoc* approach which might easily occur were all negotiations to be guided only by the needs, fiscal and otherwise, of education institutions.

Equality in the relationship also means mutuality in responsibility and commitment. The following comment captures this idea:

We try to find ways to work closer with local institutions to build the capacity of local institutions. We have to be in line with strategic planning (CDCS-Country Development Cooperation Strategy). (*Indonesian official dealing with financial management in a US governmental agency (Respondent 6)*)

A Country Development Cooperation Strategy is a five-year strategy of USAID whose mission is to work closely with the government of the recipient, civil society organisations, multilateral organisations, private sectors, and the State Department. Although financial resources contributed by the US are much greater than those provided by Indonesia, to the above respondent, the US is a partner for building capacity of local institutions.

For some American respondents, Indonesian parties are equally able to make decisions in the relationship. As the following respondent commented:

We are not in the business of telling Indonesia what to do. We try to work hand in hand with the government and work within their objectives. A lot of their work is focused on the new millennium goals so we work with them on those topics. We might make recommendations but we don't tell them what we are going to work on. We try to get information from them to help feed into our strategy. (*American respondent dealing with research in a US governmental agency (Respondent 19)*)

The above respondent clearly indicated that the American parties were not in the position to dictate what Indonesia should or must do. Equal responsibility and commitment are enshrined in working together to achieve what Indonesia has focused on for its development, for example, achieving Millennium Development Goals (MDGs). To the respondent, recommendations might be made by the American parties based on the information provided by the Indonesian parties.

In summary, to both American and Indonesian respondents dealing with financial management, the Indonesia-US education relationship is reciprocal, with both having equal responsibility and commitment for serving the interests of both American and Indonesian parties. The equal responsibility is reflected in the overall and inclusive plan of operation, where strategies are decided based on the points of view of the US and Indonesian governments and agencies.

6.4.3 On using the relationship for US political interests

It has been outlined above that most Indonesian respondents dealing with MoUs stated that the relationship in education does not and must not have political agendas and repercussions. However, two American respondents associated the education relationship with political agendas, although they did not suggest that there was political pressure. The following Indonesian respondent dealing with financial management clearly stated the Indonesian view that the relationship was not for serving the political interests of the US:

The ultimate aim of the partnership is...to increase human resources capital for achieving Millennium Development Goals, and the partnership is not for political gain. (*Indonesian official working in a US governmental agency (Respondent 6)*)

In contrast to the claim Indonesian respondents have made, that the relationship in education does not and must not have a political agenda or repercussions, American respondents dealing with American financial assistance management claimed that the relationship does have political associations. One respondent commented:

You can see the importance politically of development funding from the US government, and this is true I think of every country of any geopolitical importance at the moment. It is fairly blatant when you look at where US money is being invested. But that is part of foreign affairs and international relations. So, there is no question that there is the altruistic side of wanting to be a good friend and help out in development, and there is also the strongly political side. It is part and parcel. (*American respondent working in a US governmental agency (Respondent 17)*)

The experience of the respondent above shows that giving financial assistance is an integral part of US foreign policy. The question which arises from this is that if giving financial assistance is part of foreign policy, does it, then, mean the education relationship has a political component? Although the education relationship may not be overtly political, it can still serve political interests. The act of exercising power in the relationship is unavoidable as both states have their own interests that can be realised through the relationship.⁴¹⁵ America has an interest in helping a state it regards as an ally in the Southeast Asian region. Furthermore, it also has a policy of giving aid to develop states that are lagging behind and that are vulnerable to the consequences of underdevelopment and widespread poverty and that may

⁴¹⁵ This is discussed in chapter 7.

align themselves with a rising power such as China.⁴¹⁶ One way the US could win the loyalty and favour of Indonesia, without necessarily making hard and fast treaty agreements, is if the US has a soft power policy towards Indonesia. Each state has much that can benefit the other, in a reciprocal fashion, from the relationship formed between them. The US is regarded by the Indonesian government as economically important and a friendly power that can counter-balance China, and will protect Indonesia, which suggests the relationship is strongly reciprocal.

The education relationship, however, is not aimed at bringing political pressure on any of the parties, either at state or non-state levels. This point is apparent not only from the statement of most Indonesian respondents but also from official documents such as MoUs that emphasise the objectives of the relationship as enhancing mutual understanding.

In summary, in spite of the different perspectives of Indonesian and American respondents on whether the Indonesia-US education relationship has a political agenda and repercussions, both states have their own political interests that are realised through the relationship. As both Indonesia and the US have a reciprocal relationship in their political and security interests, the education relationship carries the possibility of being used in ways neither agreed nor intended by parties. Nonetheless, the relationship is not aimed at placing political burdens on any of the parties.

6.4.4 On cultural values

The theme of cultural values does not appear in the interviews with either Indonesian or American respondents dealing with American financial assistance in education. The following respondent who was responsible for

⁴¹⁶ Wayne Bert, "Chinese Policy and US Interests in Southeast Asia," *Asian Survey*, 33 (1993): 317-322; Elizabeth Economy, "China's Rise in Southeast Asia: Implications for the United States," *Journal of Contemporary China*, 14 (2005): 405-425; Thomas Lum, Wayne Morisson, and Bruce Vaughn, "China's 'Soft Power' in Southeast Asia," *CRS Report for Congress*, January 4, 2008.

financial management, as opposed to being a negotiator, mentioned cultural exchange:

The USAID scholarships are just one of the US government schemes. Other programmes of the US government have a very different focus; they are more of a cultural exchange, and others are more about getting Indonesians to the US. *(American respondent working in a US governmental agency (Respondent 17))*

In addition to providing financial assistance in education, cultural exchange is included in the Indonesia-US education relationship. The US government has attempted to improve and develop mutual understanding between Indonesia and the US. This is particularly important as USAID has not been successful at the global level in breaking cultural barriers to development. At the global level, only 11% of the USAID projects survive if foreign aid ends, and this preclusion is predominantly due to cultural barriers.⁴¹⁷ The importance of culture in the Indonesia-US relationship must not be downplayed simply because politicians involved in the Indonesia-US education relationship are, what Werlin and Eckstein call “political engineers”, who work with humans and thus work with and understand the importance of their culture.⁴¹⁸

Cultural exchange can indeed be an effective instrument in foreign affairs. For the US, cultural exchange can be a safeguarding relationship with Indonesia as it is more important in gaining Indonesian political support. Werlin and Eckstein argue that although Indonesia seldom supports the US politically, it would be difficult to take financial assistance from the US without becoming involved itself.⁴¹⁹

⁴¹⁷ Herbert Werlin and Harry Eckstein, “Political Culture and Political Change,” *The American Political Science Review*, 84 (1990): 252.

⁴¹⁸ Ibid.

⁴¹⁹ Ibid.

In summary, although culture is central to the Indonesia-US education relationship, there was a notable lack of major comments from the respondents dealing with American financial assistance management, on the theme surrounding cultural values. It does not mean, however, cultural exchange is downplayed because in practice both the US and Indonesia have attempted to share their cultural values.

6.5 Perspectives on and experience in education curriculum

6.5.1 Mutual benefits

As outlined earlier, most Indonesian respondents regard the relationship as beneficial for Indonesia because there is the potential for Indonesian education institutions to gain international acknowledgment. This recognition is possible not only through research collaboration but also through double degree programmes as the following respondent noted:

We have benefits: we can improve our education quality, and we have self-confidence from the partnership because we are of international standard. That's why the double degree programme is very important. Both education institutions and students are becoming confident. (*Indonesian government official dealing with curriculum (Respondent 1)*)

This respondent's account indicates that Indonesian students gain in confidence. Both Indonesian and American education institutions designed the curriculum, and have been improving the quality of Indonesian education. At the end of the course, the students receive qualifications from each state. Indonesian students and institutions, as the respondent said, become confident because of the qualifications gained from prestigious and universities recognised worldwide. In addition, students gain confidence because of the

design of the curriculum by both Indonesian and American education institutions with which Indonesian students are familiar.⁴²⁰

That there are also limitations to the benefits of the double degree programme, is noted in the following comment:

[The] double degree is beneficial for us but for foreign institutions it is not beneficial for them if there are only [a] few students from Indonesia. (*Indonesian government official dealing with standardisation of education (Respondent 4)*)

The above respondent indicates that there are benefits of double degrees, for both Indonesia and for the US; however, the conditions have to be amenable. If there are low student numbers, then there are no advantages for either. In this context, mutual benefits are an ideal situation but are not always possible. There are, however, factors at play for mutual benefits other than the numbers enrolled, such as the legal aspect and the recognition of the qualifications. Legality and recognition of the qualification through double degree programmes are straightforward because in a double degree programme, each partner institution is officially registered or licensed in its respective country. Thus, not only do Indonesian students receive a qualification equivalent to American higher education qualifications upon their completion, but also American education is better tolerated than it would be if it was not part of a double degree.

Overall, gaining international acknowledgement through academic collaboration such as a double degree is perceived by the Indonesian respondents to be beneficial for Indonesian education institutions and students. In addition to gaining this international recognition, Indonesian education quality is perceived to improve, and Indonesian students gain confidence

⁴²⁰ See IIE for the definition of double degree, "Joint and Double Degree Programs in Global Context," last modified April 20 2013, <http://www.iie.org/research-and-publications>.

because Indonesian students are familiar with the curriculum which has been designed by both Indonesian and American education institutions.

6.5.2 On cultural values and equality

For the respondents dealing with the Indonesian education curriculum, the local culture and identity are linked with what they perceive as being equal. The following comments illustrate the importance of cultural identity:

...we have our own cultural identity and potential. We need to be equal to be acknowledged. *(Indonesian research manager (Respondent 3))*

We have our own identity and a desire to educate our own students and to develop their potential. *(Indonesian government official dealing with curriculum (Respondent 1))*

Although it has been clearly outlined and discussed earlier that most Indonesian respondents are clear about preserving their cultural values, some Indonesian respondents expressed a concern where culture is not acknowledged. The above respondents are clear about preserving Indonesian cultural values, and, for Respondent 3, equality in the relationship is essential in acknowledging Indonesian cultural values. Although most Indonesian respondents saw that both Indonesian and American parties were equal in determining and preserving their culture, Indonesian respondents perceived American education to be superior. As expected, Indonesian respondents, particularly those who design education curriculum together with their American counterparts, claimed the need to be equal involved being culturally acknowledged. This concern can be premised on Tikly's position on the struggle of the governments of the less developed, as outlined in chapter two, to develop education a curriculum suited to their culture and history. If

Indonesian cultural values are not acknowledged then, in accordance with the arguments of Pennycook and Tikly, Indonesian cultural values would not be maintained through their education curriculum. If Indonesian cultural values are not acknowledged, then the pattern of orientation to political action is likely to be determined by the culture of the stronger party.⁴²¹ Nonetheless, it is important to note that Indonesia continues to use the Indonesian language as the language of instruction. Further, as shown in the interviews, Indonesian respondents indicated that Indonesia retained the ability to regulate its curriculum.⁴²²

In summary, in the Indonesia-US education relationship, Indonesian cultural acknowledgement by the US is perceived to be imperative for Indonesian respondents dealing with curriculum. This cultural acknowledgement is regarded by these respondents as best achieved in an equitable relationship.

6.6 Concluding remarks

This chapter has presented an overview of data on key aspects for this research collected from the participants, and has outlined emerging themes from the interviews. As in chapter 5, the principle of reciprocity emerges from the interviews, expressed in the term, 'mutual benefits'. Both Indonesian and American respondents claimed that the education relationship is mutually beneficial. While benefits were not identical for both, there was mutual

⁴²¹ The pattern of orientation to political action that is likely to be determined by the culture of the stronger party is widely discussed. See Herbert Werlin and Harry Eckstein, (1990); Ira William Zartman and Guy Faure, "The Dynamic of Escalation and Negotiation," In *Escalation and Negotiation in International Conflicts*, eds Ira William Zartman and Guy Faure (New York: Cambridge University Press, 2005); Ira William Zartman, *Negotiation and Conflict Management: Essays on Theory and Practice* (London and New York: Routledge, 2008); Gordon Crawford, *Foreign Aid and Political Reform: A Comparative Analysis of Democracy Assistance and Political Conditionality* (Basingstoke: Palgrave, 2001); Rita Abrahamsen, "The Power of Partnerships in Global Governance," *Third World Quarterly*, 25 (2004): 1453-1467; Isabel Canto and Janet Hannah, "A Partnership of Equals?: Academic Collaboration between the United Kingdom and Brazil," *Journal of Studies in International Education*, 5 (2001): 26-41.

⁴²² See chapter 9.

recognition that each state was benefitting in unique ways from the relationship.

For the Indonesian respondents, being recognised internationally is the main benefit of the education exchange with the US, whereas for the American respondents, Indonesia is considered important culturally, politically, economically, and environmentally. The education exchange with the US is also regarded by Indonesians as beneficial not only for the financial assistance received from the US but also for the international recognition gained for universities in Indonesia.

For some Indonesian respondents dealing with negotiations and MoU, the political interests of the US were seen as posing potential risks for the education exchange between Indonesia and the US. The respondents wanted to see the relationship confined to education without there being pressure in the political sphere, or, as the Indonesia respondents referred to such pressure, the absence of 'political affiliation', 'political agenda' or 'political gains'. There was general agreement between American and Indonesian respondents on this point.

Some Indonesian respondents dealing with negotiations and MoU perceived equality in terms of being equal in contribution, equal in recognition, and equal in calibre. The Indonesia-US education relationship is an equal relationship mainly because Indonesia has asserted its equal status. Respondents were careful to assert that the Indonesia-US education relationship was a reciprocal relationship, and it was on this basis that they approached the negotiations. For Indonesian respondents, although equality is shown in most aspects in the relationship, inequality was evident in some aspects such as in finance and education quality. Indonesian respondents dealing with the agreements worked to reach and maintain equal status. The four main attempts of Indonesian negotiators to establish themselves to be equal in the relationship were to maintain beneficial cooperation, to

contribute financially to the relationship, to conduct academic collaboration for gaining international acknowledgement, and to use natural resources as the bargaining power.

Culture has been central to the Indonesia-US education relationship and manifested in cultural sharing. There is, however, a tension between traditional values and uniqueness on one hand, and internationalisation of education on the other, as manifest in education exchange.

Similar to the respondents dealing with negotiations, the respondents dealing with financial assistance management also commented on the reciprocal relationship: mutual benefit, mutual commitment, and mutual responsibility. All participants had an equal responsibility for and commitment to serving the interests of both American and Indonesian parties. The equal responsibility was reflected in the overall and inclusive plan of operation where strategies were decided based on the points of view of the US and Indonesian governments and agencies.

The theme of cultural values was not addressed by the respondents dealing with American financial assistance management. Its absence does not mean, however, cultural exchange was minimised because in practice both the US and Indonesia attempted to share their cultural values.

For the Indonesian respondents dealing with curriculum, the Indonesia-US education relationship was beneficial for Indonesia because Indonesian students and education institutions would gain international acknowledgement through academic collaboration and accreditation such as the double degree. In addition to gaining this international recognition, Indonesian education quality is perceived to be advancing, and Indonesian students gaining in self-assurance because the curriculum was designed by both Indonesian and American education institutions, and in a manner with which Indonesian students were accustomed.

Indonesian respondents dealing with curriculum perceived that Indonesian cultural acknowledgement by the US was an imperative, and best achieved in an equitable relationship.

The issues of equality in the relationship, cultural values, and the use of the relationship for US interests, emerged from Indonesian respondents and had not been included in the original interview schedule. The Indonesian respondents were clear that, first, even though American education and financial assistance were of better quality than those of Indonesia, Indonesian respondents perceived the relationship as equal. Second, most Indonesian respondents claimed that the education relationship must not exist for serving the political interests of the US. Third, Indonesian respondents were clear in asserting Indonesia's own identity and cultural values. The next chapter offers the more substantive analysis and discussion of equality in the relationship, the nature of the relationship, and Indonesian cultural values; and, the perspectives and experiences of respondents around the emerging themes of equality, cultural values, and nature of the relationship in line with the criteria of educational sovereignty as outlined in chapter 2.

CHAPTER VII

NATURE OF THE INDONESIA-US EDUCATION RELATIONSHIP

7.1 Introduction

This chapter discusses the nature of the education relationship between Indonesia and the US. The chapter examines two hypotheses derived from the literature discussed in chapter 2. The first is that transnational education constitutes a new type of imperialism by perpetuating knowledge dependency and financial dependency through the transfer of knowledge and foreign aid in education. This hypothesis is examined in section 7.2. Of particular interest will be the themes of ‘knowledge dependency’ and ‘financial dependency’. In contrast to the first hypothesis, the second holds that transnational education advances learning about and from other states, and has the potential to improve relationships, and promote international understanding. This hypothesis is examined in section 7.3. Concluding remarks are presented in section 7.4.

7.2 US strategic interests and the Indonesia-US bilateral relationship

Theories about US strategic interests are central to explanations and conceptualisations of the new imperialism. The two over-arching reference points for US global involvement over the last century are the Cold War and the “War on Terror”. In relation to both the Cold War and the War on Terror, Indonesia has played a pivotal role in South East Asia. The PKI (Indonesian Communist Party) was the biggest communist party outside the communist world. There was a division between Sukarno, who was close to the PKI due to territorial disputes with Malaysia, and Suharto, who had reservations about

Sukarno's support for PKI.⁴²³ The Suharto regime emerged through the destruction of this PKI force with very high loss of life,⁴²⁴ ended Indonesia's confrontation with Malaysia, and established itself as a long ruling, important anti-communist ally of the US in a crucial strategic position during the Cold War. In relation to the War on Terror, Indonesia is the world's most populous Muslim nation and home to radical groups and widely held anti-American sentiments. Authors such as Tujan, Gaughran, and Mollet, argue that the war on terror is affecting developing countries development policy and practice.⁴²⁵ For these authors, countries with large Muslim populations are automatically prioritised for US assistance. Governance and the rule of law are conditions attached, and continued cooperation and military cooperation are emphasised. Indonesia is a major recipient of US Anti-Terrorism Assistance (ATA). After the September 11, 2001 attack on the World Trade Center, counter terrorism security cooperation was initiated by President Bush. Although the cooperation was welcomed by President Megawati, it was not supported by Vice President Hamzah Haz, and Indonesian nationalists and Islamic activists urged Muslim solidarity as the cooperation was perceived as an attack on the Muslim world (See chapter 5). However, after the bombing of Sari Club and Paddy's Bar in Bali in October 2002, the Indonesian authorities sought help in capturing the terrorists responsible for the attack. The Chief of the Indonesian National Police, General Da'i-Bachtiar, told the Australian Federal Police commissioner, Mick Keelty: "We don't know where this is going to lead or who is involved. If you could give us some help that would be good".⁴²⁶ The US

⁴²³ Donald Hindley, "Political Power and the October 1965 Coup in Indonesia," *The Journal of Asian Studies*, 26 (1967):237-249; Ulf Sundhaussen, "Regime Crisis in Indonesia: Facts, Fiction, Predictions," *Asian Survey*, 21(1981); Justus Van der Kroef, "Indonesian Communism Since the 1965 Coup," *Pacific Affairs*, 43(1970):34-60.

⁴²⁴ Up to 300,000 Indonesian died. Some were communists, some were suspected communists and others were innocent civilians. See Sundhaussen, (1981) and Van der Kroef, (1970).

⁴²⁵ Antonio Tujan, Audrey Gaughran, Howard Mollett, "Development and the Global War on Terror," *Race and Class*, 46 (2004):53-74.

⁴²⁶ In William Wise, "Indonesia's War on Terror," *USINDO* August 2005, last modified July 20, 2014, <http://www.terror.weke.org>.

State Department too, soon offered Indonesia counter-terrorism training. Although President Megawati accepted it, she did not want to commit to wiping out the Jemaah Islamiah terrorists because it would create a political backlash in Indonesia.⁴²⁷ Parliamentary leaders and the vice president, who had a close relationship with radical Muslims and who were anti-Western, particularly anti-US, spoke out against Megawati and demanded she speak out against the US. After Megawati, President Yudhoyono also faced opposition from Islamist parties.⁴²⁸

A fundamental question arising is whether US strategic interests in Indonesia lead to or perpetuate the notion of new imperialism. To address such a question requires clarification of whether US intervention serves Indonesia or the US security agenda, or whether US intervention benefits both Indonesia and the US. Following the events described above, assistance from Australia was sought and security cooperation with the US was accepted by Indonesia. This left wider questions. If US interventionism solely suits the US security agenda, the agenda is not achieved as there have been political backlashes against the US, particularly opposition from the Islamist parties.

Whether US strategic interests in Indonesia equate to and perpetuate a new imperialism depends on the perception of whether US interventionism is an exodus from capitalist globalisation, or merely a response to its crisis.⁴²⁹ During the Cold War, the US was willing to supply capital and open its markets for an initial one way flow of exports. This, according to Higgott, was based on the security consideration of containing communism.⁴³⁰ For Indonesia, the US was its second biggest trading partner (second largest export market

⁴²⁷ Ibid.

⁴²⁸ Ibid.

⁴²⁹ Robinson argues that US interventionism is not a departure from capitalist globalisation, but a response to its crisis. See William Robinson, "Beyond the Theory of Imperialism," *Societies without Borders*, 2(2007):5-26.

⁴³⁰ Richard Higgott, "The Asian Economic Crisis: A Study in the Politics of Resentment," *New Political Economy*, 3(1998):333-356.

and second largest source of imports⁴³¹), purchasing goods worth US\$9.46 billion in 2009, equivalent to nearly 15% of Indonesia's total exports. In 2010 it was Indonesia's fourth largest trading partner after Japan, China, and Singapore, with a trade value reaching US\$23 billion.⁴³² One study suggests that eliminating trade barriers between Indonesia and the US could increase the overall Indonesia-US merchandise trade by about 40%, and could improve economic performance in Indonesia with annual gains of around 0.6% of GDP.⁴³³ Before establishing a relationship with Indonesia, the US asked Indonesia to remedy some issues. In the area of manufactured goods, the US has asked Indonesia to improve workers' conditions in Indonesia.⁴³⁴ The US has also threatened Indonesia with withdrawal of its Generalized System of Preferences (GSP) if Indonesia does not show willingness and does not have plans to improve workers' conditions.⁴³⁵ If the GSP is withdrawn, Indonesia's export earnings would decline. Implementing a US-Indonesia Free Trade Agreement requires further discussion between these two states. Halida Miljani, a former Indonesian representative to the WTO, states that Indonesia would study the cost and benefits of a bilateral FTA with the US, and determine whether or not preliminary bilateral talks would lead to actual FTA negotiations.⁴³⁶

⁴³¹ Hadi Soesastro, "Towards a US-Indonesia FTA," *Economics Working Paper Series*, last modified August 2014, <http://www.csis.or.id/papers/wpe08>.

⁴³² Embassy of the Republic of Indonesia, "Bilateral Relations," last modified August 15, 2014, <http://www.embassyofindonesia.org>.

⁴³³ In comparison with trading with ASEAN and China, with which Indonesia has not gained a surplus, Indonesia has gained surpluses by trading with the US. Open Doors International Education, "In brief: toward a US-Indonesia free trade agreement," <http://www.iie.com.publications/briefs/us-indonesia.pdf>.

⁴³⁴ Raymond Robertson et al, "Globalization and working conditions: Evidence from Indonesia," in *Globalization, wages, and the quality of jobs: five country studies*, eds. Raymond Robertson et al (Washington DC: the World Bank)

⁴³⁵ The US does not want to end up on the list of labour rights violators. See Lance Compa and Jeffrey Vogt, "Labor rights in the Generalized System of Preferences: A 20-year review," <http://www.digitalcommons.ilr.cornell.edu>

⁴³⁶ Miljani in *Jakarta Post* April 1, 2005

For Indonesia, the US is a significant actor to counter China in the region. In ASEAN Plus Three (APT) and the China-ASEAN FTA, China is an active player. The US shares with Indonesia, concerns over the freedom of passage through its waterways especially the Malacca Strait, as it is a particularly busy, vital shipping lane.⁴³⁷ An Indonesian researcher at the Center of Strategic and International Studies (CSIS) argues that, “the US needs to ensure that our waterways don’t fall into China’s hands and they can still have free control over areas such as the South China Sea and the Banda Strait, because like it or not, US operations in the Middle East still depend on control of those waterways”.⁴³⁸

To argue that the US-Indonesia bilateral relationship is a type of new imperialism relationship would require further examination. From the above discussion, US involvement over the last century in Indonesia – the Cold War and the War on Terror – does not mean that Indonesia is a US puppet. Even though the notion of new imperialism stands, there have been political backlashes against the US that have impeded the implementation of the US agenda, which means that the US-Indonesia bilateral relationship does not necessarily lead to new imperialism. In spite of the threat of withdrawing GPS, the implementation of FTA is still proceeding. This indicates that whether the US-Indonesia bilateral relationship leads to new imperialism, still requires further assessment. What is more, the US strategic interest in Indonesia is more a response to its power crisis, by preventing the domination of China in Southeast Asia, than ‘a departure from capitalist globalisation’. Nevertheless, it is important to emphasise that whether the relationship would lead to new imperialism, depends on Indonesia’s ability to maintain her interests in the relationship; interests which include improving national education standards.

⁴³⁷ *Asia times*, “US-Indonesia in a tentative embrace,” March 12, 2010, <http://www.atimes.com>.

⁴³⁸ Ibid

7.2.1. The Indonesia-US education relationship and new imperialism

The aim of this section is to examine the relevance of new imperialism theory in the context of the Indonesia-US education relationship. Tikly has argued that colonial education is a basis for the new imperialism which serves the interests of the US and its Western allies.⁴³⁹ The one-way transfer of knowledge, the prominence of expatriates among academic staff, and one-way transfer of technology, as argued by Tikly, Albatch, Selvaratnam, and Canto and Hannah, is essential to maintain colonial education.⁴⁴⁰ Building on the perspective of these theorists on knowledge dependency, as also discussed in chapter 2, there are three important aspects in determining whether the education transactions between Indonesia and the US result in an Indonesian knowledge dependency on the US.⁴⁴¹ These are: the one-way transfer of knowledge; technology, and research projects; and, the prominence of expatriates among academic staff. The focus will be on the themes of knowledge and financial dependencies, as they are, according to some critical education theorists, a form of continued dominance by the US and its Western allies.⁴⁴²

⁴³⁹ Leon Tikly, "Education and the New Imperialism," *Comparative Education*, 40 (2004):173-198.

⁴⁴⁰ Tikly, (2004); Philip Albatch and Viswanathan Selvaratnam, *From Dependence to Autonomy: The Development of Asian Universities* (Dordrecht, Netherlands: Kluwer Academic Publishers, 1989); Isabel Canto and Janet Hannah, "A partnership of Equals?: Academic Collaboration between the United Kingdom and Brazil," *Journal of Studies in International Education*, 5 (2001): 37.

⁴⁴¹ These three factors are drawn from the perspectives of dependency, new imperialism, and critical education theorists. Carlos Alberto Torres, (2002): 363-378; Leon Tikly, (1999):603-621; Leon Tikly, (2004): 173-198; Ronaldo Munck, (2000); Frank Furedi, (1994); Martin Carnoy, (1975).

⁴⁴² Ibid.

7.2.2 Knowledge dependency

7.2.2.1 One way-transfer of knowledge, technology, and research projects

The first apparent indicator of Indonesian knowledge dependency on the US is the one-way transfer of knowledge. Most Indonesian respondents regarded the US as important in terms of its knowledge. The following comment captures this:

In terms of knowledge, American education is superior. But we are rich in languages, cultures, tropical environment and natural resources. We are richer in these areas than America. *(Indonesian vice-rector negotiating and administering MoUs (Respondent 2))*

This respondent identified areas unique to Indonesia which represent an advantage for leveraging beneficial exchanges. The comment also indicates that the education relationship is beneficial for Indonesia because of American superiority in education. Respondent 2 also commented that the US benefitted from the research collaboration with Indonesia because Indonesia provided access for American institutions to the vast but under-researched natural environment. The perceptions of Indonesian respondents on American education superiority, and on Indonesia's lack of experts in conducting research and cultivating its rich natural environment, show Indonesia's dependence on foreign experts and their knowledge.

According to most Indonesian respondents, the relationship is beneficial not only for enhancing Indonesian education quality and establishing credibility of Indonesian education institutions through double degrees (see chapter 6) but also in research. The following respondents commented:

I can see, now the partnerships can be developed; from environment to bio engineering to child protection, nanotechnology, etc. We have rich programmes that we can offer. I hope in the future, we can develop stronger relationships. Joint research, one semester in America and the rest is in Indonesia, is a good start. *(Indonesian government official (Respondent 8))*

The above respondent was keen to promote the Indonesia-US education exchange programmes, and emphasised that having a variety of courses was an advantage to Indonesia. The quote also points to a hope for more sharing, and greater recognition of Indonesia's contribution to courses in environment, bio-engineering, child protection, nanotechnology and more.

In the US-Indonesia Comprehensive Partnership, science can be combined with education through research collaboration between Indonesian universities and American universities.⁴⁴³ The following respondent's comments point to the importance of the research component in the education relationship:

We have participated and we have gained the benefits of international cooperation. The most beneficial cooperation is in research. *(Indonesian chair of international cooperation of a university in Indonesia (Respondent 18))*

This comment suggests, therefore, that in the case of the Indonesia-US education relationship, collaboration is valued and is evident in the joint research and combined student and researcher exchange arrangements. For this respondent, there were many benefits to be gained from including

⁴⁴³ The US-Indonesia Comprehensive Partnership is discussed in chapter 5.

research in Indonesian higher education aspirations (as also discussed in chapter 6). This view was echoed by the following respondent:

Universities, therefore, need to cooperate with foreign education institutions mainly in research. They [Americans] have accurate organisation and good management. (*Indonesian vice-rector negotiating and administering MoUs (Respondent 2)*)

It was apparent, therefore, that these respondents saw the relationship, particularly in research collaboration, as advantageous for Indonesia.

The comments of most Indonesian respondents clearly indicated that they are not coerced, as mentioned earlier, but rather are willing to learn, and adopt new skills and knowledge in order to improve the quality of Indonesian education, graduates, educators, and researchers. Indonesians who studied at the University of California, Berkeley, and who applied their knowledge to bring Indonesia back from the brink of perilous economic circumstances, show that Indonesians have been willing to embrace knowledge.

Although transfer of knowledge is evident, it is an initial process used to strengthen Indonesian education and to reduce reliance on knowledge from developed states. The role of USAID in achieving Indonesia's Millennium Development Goals also provides a good example to illustrate that transfer of knowledge is an initial process to strengthen Indonesian education. According to USAID, Indonesia was at risk of not achieving its goal of Education for All (EFA) by 2015.⁴⁴⁴ USAID has played a significant role in Indonesian education by encouraging changes in the way teachers communicate and students learn. Learners were encouraged to change from being passive to active learners, and classrooms to change from teacher-centred to student-centered. In this context,

⁴⁴⁴ USAID Indonesia, "SERASI-Education," http://www.indonesia.usaid.gov/en/usaid/activity/323/serasi_education.

with critical thinking skills, there is potential to reduce reliance on knowledge from the US and other developed states. USAID has also played a significant role in Indonesian education by developing education programmes for Indonesia (as outlined in chapter 5), encouraging Public Private Partnerships, and encouraging University to University (U to U) relations between Indonesia and the US.

In the case of the Indonesia-US education relationship, the one-way transfer of technology was evident, but the comments from respondents suggested Indonesian institutions approached this transfer with a willingness to learn and adopt new skills and knowledge. One respondent commented:

...we need America because America is a developed country with high technology. Developed countries have higher technology and quality research development. I must admit that American books here are popular.
(Indonesian vice-rector negotiating and administering MoUs (Respondent 2))

The above respondent clearly valued the advantages provided by the quality of research and technology of developed states. The comment illustrates that the respondent is not being coerced but rather is embracing the opportunities for learning and accepting technology from the US. This observation, however, does not particularly answer the question of why America? After all, Japan and several European countries also have education institutions to be envied. As discussed in chapter 4, American education institutions clearly have a long relationship with Indonesia which creates an advantage over other providers, an advantage from which Indonesians see themselves as benefiting.

Although one-way transfer of technology was evident, Indonesia has endeavoured to be independent in conducting its research. Although the US

grants \$15 million through Fulbright Indonesia Research, Science, and Technology Programme (FIRST Programme), Indonesia has made efforts to be less dependent on foreign researchers as is evident in the strengthening of the role of the *Lembaga Ilmu Pengetahuan Indonesia* (LIPI) or Indonesian Institute of Sciences which encourages Indonesian researchers to develop high quality research through the Research Incentive Programme.⁴⁴⁵

Canto and Hannah offer a more nuanced position by stating that there are elements of both colonial and equal relationships, which they call advanced "neo-colonial partnership" or "new imperial partnership".⁴⁴⁶ To these authors, the education relationship is no longer concerned only with the training of students and expert visits in the less developed state but also joint research and publications. To assess whether the relationship is a "new imperial partnership", it is necessary to assess if the relationship "genuinely reflects the strengths and interests of both sides and not transference of knowledge and techniques from one partner to another".⁴⁴⁷ In the Indonesia-US education relationship, the relationship encompasses educating Indonesian students in the US (mode 2), and American experts visiting Indonesia (mode 4). In addition to these modes of delivery, through academic and research collaboration, joint research and publication are conducted. One respondent stated:

There are publications but in the Indonesian language. In fact we have many but they are in Indonesian. With going overseas, students are forced to publish in English. If you compare the developing and the developed countries we are not up there in the scientific fields because there

⁴⁴⁵ Department of Finance, "Focus Group Discussion: Researchers and Research Professors: Enhancing their Roles and Professionalism," <http://www.fiskal.depkeu.go.id/2010/>; Republika, "Minister of Research and Technology: Research in Indonesia is still in its Infancy," Republika, March 17, 2013.

⁴⁴⁶ Canto and Hannah, (2001).

⁴⁴⁷ Ibid, 38.

are not the publications so this will create motivation for the students and lecturers to write in English...There is a lot of new knowledge from overseas and we are dealing only with our knowledge in Indonesia. (*Former Indonesian rector who negotiated MoUs (Respondent 7)*)

For the respondent above, publishing in English is seen to have the advantages of academic recognition. Moreover, overseas exchanges make a necessity of learning English and this outcome is described as leading to gains for students in particular and Indonesia in general.

With reference to the questions raised by Canto and Hannah about whether this type of exchange constitutes a "new imperial partnership", the following respondent's comments suggest the Indonesia-US relationship is based on recognition of the strengths and interests of both sides:

There are also a lot of other interesting topics that can be studied in Indonesia or can best be studied in Indonesia. Indonesia has more volcanos than any other country. Agriculture is a big issue here in Indonesia. Trying to get access to some of the new techniques, selection and other techniques for Indonesian crop. I think there is a lot of potential here to study land use change and other types of sustainability or environmental science. (*American respondent dealing with research in a US governmental agency (Respondent 19)*)

Respondent 19 sees many areas of study such as agriculture, environmental science, volcanology, which could attract American interests and that would enhance American knowledge. In the interview, some American respondents recognised the contribution Indonesian researchers can

make in the research field in Indonesia. As is discussed in chapter 6, American respondents reported that Indonesia was politically, culturally, and economically important to the US. Moreover, both American and Indonesian respondents claimed that Indonesia's vast but under-researched natural resources environment would lead to benefits from research collaboration. To argue that the Indonesia-US education relationship is a new type of imperialism, therefore, needs further assessment.

In summary, academic and research collaboration was valued by the Indonesian respondents as there were many benefits to be gained from including research in Indonesian higher education aspirations. Although knowledge dependency is evident in the Indonesia-US education relationship, Indonesian respondents are willing to learn and adopt new skills and knowledge in order to improve the quality of Indonesian education, its graduates, educators, and researchers. Although transfer of knowledge is evident, it is an initial step to strengthen Indonesian education and to reduce reliance on knowledge from developed states. The one-way transfer of technology is also evident, but the comments from respondents suggested Indonesian institutions approached this transfer with a willingness to learn and adopt new skills and knowledge. What is more, to most respondents, the Indonesia-US relationship is based on recognition of the strengths and interests of both sides. For the above reasons, although one-way transfer of knowledge and technology is evident, the Indonesia-US education relationship does not necessarily exist for maintaining knowledge dependency, but rather for strengthening Indonesian education quality and reducing reliance on knowledge from the US developed states. That is to say that the Indonesia-US education relationship does not necessarily perpetuate a new type of imperialism. Next, another apparent indicator of Indonesian knowledge dependency on the US, -the prominence of expatriates among academic staff- is examined.

7.2.1.2 Prominence of expatriates among academic staff

The second apparent indicator of Indonesian knowledge dependency on the US is the prominence of expatriates among academic staff. The following respondents shared their experience:

The US truly helps us by sending experts here. Without their [Americans] cooperation, there would not be MoUs and without MoUs we would not have the benefits that we do. *(Indonesian international office staff administering MoUs (Respondent 13))*

This respondent clearly claimed the benefits of the relationship. The existence of Memoranda of Understanding in the Indonesia-US education relationship is an outcome of the bilateral agreement between the Indonesian and American parties. Through MoUs, the terms that the parties have negotiated are implemented.⁴⁴⁸ Thus, as the respondent indicated, the relationship benefits Indonesian parties.

The following comment partly explains why Indonesia needs foreign experts:

We need more people in vocational not academic areas because we are rich in natural resources. [Currently] we have more graduates in academic [areas]. As a result, their rate of unemployment is increasing. We still need experts from other countries in natural resources management because we simply do not have enough people [ourselves]. *(Indonesian government official dealing with standardisation of national education (Respondent 4))*

⁴⁴⁸ MoUs set out the mutual benefits and agreements for initiating exchanges of teaching materials and literature, research collaboration, exchanges of scholars, and the conducting of joint workshops. For instance, see MoU of Ohio University, last modified December 10, 2012, <http://www.oia.osu.edu/pdf/mou>.

It is important to note that although experts are needed for the management of Indonesia's natural resources, the government of Indonesia has endeavoured to reduce its dependence on foreign experts. The ability to make independent decisions is one of the reasons why the government of Indonesia has endeavoured to reduce its dependence on foreign experts.⁴⁴⁹ One strategy has included an emphasis on vocational training in order to create the necessary human capital for natural resources management. It is also important to note that, although expatriates are able to work with Indonesian academic staff, the Indonesian government has determined that academic directors and executives must be Indonesian citizens unless the education providers are wholly-owned by foreigners, in order to protect local institutions and to guard against any domination of expatriates among local academic staff.⁴⁵⁰

Although most Indonesian respondents claimed that the Indonesian government had regulated to minimise dependency on foreign experts and institutions, it is necessary to note that one of Indonesia's development goals has been to enhance international competitiveness by 2025, and the education relationship with the US is viewed by the authorities to be important in achieving this goal.⁴⁵¹ As is indicated in Indonesia's development goal to become fully independent and develop, foreign involvement in education is necessary. Such involvement, in turn, gives rise to the question of whether being independent means not only being free from colonial rule and being able to preserve sovereignty, but also whether, as Weinstein argues, it means being able to reduce dependence on foreign states.⁴⁵²

To minimise the influence of foreign experts among local academic staff, Indonesian parties would require leverage in their relations with their American counterparts. Weinstein argues:

⁴⁴⁹ See chapter 8.

⁴⁵⁰ See Presidential Decree, number 75 of 1999 concerning the employment of expatriates.

⁴⁵¹ See chapter 6 for an outline of Indonesia's development goals.

⁴⁵² Franklin Weinstein, (2007).

The less developed countries are not wholly without leverage in their relations with more powerful nations. Under certain circumstances, underdevelopment can be advantageous. Could a modern state like Belgium have defied American military might as Vietnam did? North Vietnam's lack of a highly specialised economy undoubtedly helped to minimise the disruptive effects of American bombardments...the Vietnamese tail wagged the American dog, the tail at least displayed a capacity to cause the dog to stumble when it ran in a displeasing direction.⁴⁵³

Similarly, being a weaker party in the relationship does not mean that Indonesia is in a disadvantaged position. Indonesia requires leverage in its relations with developed states like the US. In the past, Indonesia had successfully challenged foreign power in the form of the Dutch and the Americans.⁴⁵⁴ Currently, foreign influence in policy making is a major concern for Indonesian foreign policy making. The *Jakarta Post* reported that 63 Indonesian laws had been drafted by foreign consultants.⁴⁵⁵ To gain leverage in its relations with the US, it is expected then that the Indonesian respondents would carefully assert that the relationship with the US is mutually beneficial, through research collaboration. It is necessary to note, however, the term 'leverage' was not mentioned in the interviews. It was, however, implied throughout the interviews, in ways such as:

We are rich in languages, culture, and natural resources. They often are interested in these areas. We also need the partnership for technology. They are also good in management.

⁴⁵³ Franklin Weinstein, *Indonesia Foreign Policy and the Dilemma of Dependence: From Sukarno and Suharto* (Singapore: Equinox Publishing, 2007), 27.

⁴⁵⁴ During the Sukarno and Suharto eras, strong nationalism had been unconditional in any bargains with foreign powers. Any political attachment would terminate any negotiations.

⁴⁵⁵ Don Marut, "Can Indonesia do Without Foreign Aid?" *The Jakarta Post*, Thursday, December 1, 2011.

(Indonesian vice-rector negotiating and administering MoUs (Respondent 2))

The above respondent saw the relationship as having the potential to benefit Indonesia, technologically. As a negotiator, he was also conscious of the richness of what the Indonesian parties could offer as a response in the bargaining. Bargains and agreements are different for Indonesians. It is considered indiscreet to enquire about what the other party might have to offer in the trade.⁴⁵⁶ Here, even though neither the term ‘leverage’ nor ‘bargaining power’ is mentioned, bargaining is indicated through the offering of the richness in natural resources environment, languages, and cultures to the American parties. Leveraging is also indicated in the assertion of the Indonesian negotiators that the relationship is mutually beneficial and equal.⁴⁵⁷ In an extreme case, one Indonesian respondent, who dealt with Indonesian curriculum and international research collaboration, stated: “If we cannot agree with America and other Western countries, we can partner with Asian countries”. (*Indonesian research manager (respondent 3)*)

In summary, there is no evidence to support a proposition that transnational education constitutes a new type of imperialism by perpetuating knowledge dependency through foreign experts, as Indonesia has endeavoured to be less dependent on foreign experts. The government of Indonesia has endeavoured to reduce its dependence on foreign experts including American experts. The attempts of the government to reduce Indonesia’s dependence on foreign experts include emphasising vocational training in order to create the necessary human capital for natural resources management; and regulating that academic directors and executives must be Indonesian citizens unless the

⁴⁵⁶ Indonesians tend to use indirect communication, and hide their feelings. See Wahdi Yudhi, Marthin Nanere, and Apollo Nsubuga-Kyobe, “A Comparative Study of Negotiation Styles of Education Managers in Australia and Indonesia,” *SEAMEO*, December 14, 2006.

⁴⁵⁷ As discussed in chapter 6.

education providers are wholly owned by foreigners, in order to protect local institutions and fend off domination of expatriates among local academic staff.

7.2.3 Dependency on American financial assistance

In addition to the one-way transfer of technology and science, and the domination of expatriates among academic staff, theorists such as Carnoy, Tikly, and Crawford have argued that relying on financial assistance is one form of dependency.⁴⁵⁸

Foreign financial assistance is beneficial for Indonesia, and it is difficult to conceive of development without foreign assistance.⁴⁵⁹ The financial aspects of education are a significant challenge for Indonesia. Financial certainty is welcomed because research projects and education programmes require funding, particularly where there is a shortfall from fee paying students. Research is also reliant on grants. It is expected then that foreign assistance is welcomed by institutions, and many countries offer aid and, as stated above, foreign assistance is beneficial. As one Indonesian respondent indicated:

We now have increased budget for national education and many foreign countries want to give us assistance too. (*Indonesian government official (Respondent 5)*)

Foreign financial assistance is welcomed and, domestically, Indonesia has increased its budget for national education. President Yudhoyono initiated the plan to increase expenditure to Rp 331.8 trillion (US\$34.9 billion) in 2013,

⁴⁵⁸ Leon Tikly, (2004); Gordon Crawford, *Foreign Aid and Political Reform: A Comparative Analysis of Democracy Assistance and Political Conditionality* (Basingstoke: Palgrave, 2001); Martin Carnoy, *Education as Cultural Imperialism* (New York: David McKay, 1975); Martin Carnoy and Diana Rhoten, "What Does Globalization Mean for Educational Change?: A Comparative Approach," *Comparative Education Review*, 46, (2002).

⁴⁵⁹ Crawford, (2001); Carnoy, (1975).

up from Rp 310.8 trillion in 2012.⁴⁶⁰ Weinstein argues that the dilemma is not one of aid or independence, but about how much dependence on foreign financial assistance should be accepted, and thus how much foreign control can be tolerated.⁴⁶¹ Although foreign assistance in education is welcomed, an increased budget for national education is necessary for reducing dependence on foreign financial assistance. Reducing this dependence, however, does not mean that Indonesia would refuse foreign financial assistance.

Whether financial dependency is the consequence of American financial assistance, thus, requires further assessment. The following respondent commented:

We learnt from a big mistake by having loans from the World Bank. Now we are gradually able to educate our students but we still need grants. Only grants. Not loans. Not even a soft loan. We do not want any kind of loan. That is why a grant from America is useful. (*Indonesian research manager (Respondent 3)*)

Indonesia has been on the top ten list of the World Bank's borrowers. In 2011, Indonesia's debt reached US\$ 215.5 billion.⁴⁶² It is expected then that grants, not loans, were welcomed by the Indonesian respondents. Significant amounts of financial assistance from the US in particular are welcome. The following respondent stated:

We mainly partner with ASEAN countries but America also has partnered with us. USAID is going to support us financially for our research

⁴⁶⁰ In the *Jakarta Globe*, "Indonesian Government Plans to Spend over US\$ 34 billion on Education," *Jakarta Globe*, August 17, 2012.

⁴⁶¹ Weinstein, (2007).

⁴⁶² The World Bank, "Internal debt Statistics 2013," last modified March 28, 2013, <http://www.data.worldbank.org/sites/default/files>. Also see Anti Debt Coalition, <http://www.kau.or.id>.

project 900 million rupiah. (*Indonesian research manager (Respondent 3)*)

One might ask that if Indonesia only wants grants, not loans, does that stance mean that Indonesia is dependent financially on the US. As noted in chapter 5, USAID has played a significant role in Indonesia's education through its financial assistance since Indonesia gained independence. USAID also initiated an investment of US\$19.7 million to support the Higher Education Leadership and Management (HELM) programme.⁴⁶³ Although USAID has offered significant amount of financial assistance, Indonesia is not dependent financially on the US. The government of Indonesia has tried to be less dependent on foreign aid. At the post-secondary education level, Indonesia's attempt to be less dependent on foreign education aid is shown in the budget allocated to partnerships with foreign education providers. For instance, through the Directorate General of Higher Education, Indonesia allocated a budget for joint funding with its partner, the US. The following respondents also commented:

In 2007/2008, we provided scholarships for faculty members to study abroad. For the first time in our history, we are able to send our faculty members abroad fully funded by the government. (*Indonesian government official (Respondent 11)*)

We have \$195 million from the US. In addition to our own funding, we support Indonesians going to America and Americans coming here. (*Indonesian government official dealing with MoUs (Respondent 8)*)

⁴⁶³ USAID Indonesia, "United States Government Invests \$19 Million in Indonesian Higher Education," last modified July 10, 2013 from <http://www.indonesia.usaid.gov>.

Both comments indicate the attempt of the government of Indonesia to contribute to the education relationship. This contribution, as illustrated by respondent 8, is done through the financing of Indonesians going to the US and Americans coming to Indonesia. For respondent 11 milestones have been reached as the Indonesian government has been able to fund university faculty with overseas travel grants.

In summary, this research found no evidence to support a proposition that transnational education constitutes a new type of imperialism by perpetuating financial dependency through foreign aid in education, as Indonesia has endeavoured to be less dependent on foreign financial assistance. Although foreign assistance in education is welcomed, an increased budget for national education is necessary for reducing dependence on foreign financial assistance.

7.3 The education exchange and learning about each other

As discussed in chapter 2, from transnational and interdependence theorists argue that the relationship between developed and the less developed states in education has the potential to promote international understanding because the parties involved would learn about and from each other.⁴⁶⁴ Through transnational education, education and cultural exchange

⁴⁶⁴ Jane Knight, "Internationalization of Higher Education: A Conceptual Framework," in *Internationalization of Higher Education in Asia Pacific Countries*, eds. Jane Knight and Hans De Wit (Amsterdam: European Association for International Education, 1997). Also see Fazal Rizvi, "International Education and the Production of Globalization Imagination," In *Globalization and Education: Critical Perspectives*, eds. N.C. Burbles and C.A. Torres (London: Routledge, 2000); Erika Schwindt, "The Development of a Model for International Education with Specific Reference to the Role of Host Country Nationals," *Journals of Research in International Education*, 2 (2003): 67-81; Jeff Thompson and Mary Hayden, "International Schools and International Education: A Relationship Reviewed," *Oxford Review of Education*, 21(1995), 327-45; J.J. Hayden Thompson and M.C. Williams, "The Crossing Frontiers," *International Schools Journal*, 15 (1995): 13-20. Although these authors do not refer to transnational education as an education relationship between developed and the less developed states, it is widely recognised that the recipients of foreign financial assistance in education and the importers of transnational education are mainly the less developed whereas the donors and the exporters of transnational education are developed states.

programmes are promoted and thus they enhance understanding between the parties involved.⁴⁶⁵ In the Indonesia-US education relationship, however, the course of the relationship between the two states has not always been without obstacles. Thus, whether their relationship in education would enhance understanding between Indonesia and the US needs further examination. The aim of this section is then to examine whether the Indonesia-US education relationship is for learning from and about each other and thus an improvement in the understanding between them.

One study conducted by Novotny presents Indonesia's relationships with the US and with China as the major concerns of the Indonesian elite.⁴⁶⁶ Both countries are perceived by the Indonesian elite to have the potential to jeopardise Indonesia's national security and interests as they are major powers and both have political interests in Indonesia.⁴⁶⁷ Nonetheless, in several MoUs and the interviews, it is often stated that the education relationship is for learning about each other and for improving understanding in the relationship. Typical comments from the respondents included:

It [the political relationship with the US] is indeed emotional. Our sympathy is for Palestine and our standpoint is clear; we expect their freedom and we facilitate it. Americans and Israelis lobbies know about it... I think we need to have this partnership in spite of political tension. A political relationship is up and down and sometimes emotional. But I am sure through this education partnership, people can build relationships people to people and be tolerant, accept other differences, and facilitate official diplomatic conflicts. (*Indonesian government official (respondent 8)*)

⁴⁶⁵ Jane Knight, (1997); Stephan Vincent-Lancrin, "Cross-border Higher Education for Development," last modified June 10, 2013, <http://www.oecd.org/education/research>.

⁴⁶⁶ Daniel Novotny, "Indonesian Foreign Policy: A Quest for the Balance of Threats' (PhD thesis. The University of New South Wales, 2007).

⁴⁶⁷ The discussion on the political interests of the US and China in Indonesia is beyond the scope of this thesis.

This is [political relationship with the US] the political dynamic and it could change through time. Different political parties have different approaches and also political sensitivities can change in time. My kind of thinking is that we must overcome misunderstandings. (*Indonesian vice president of an American company (Respondent 9)*)

Both respondents, like other Indonesian respondents, were aware of the political tensions and dynamics with the US. These respondents, nevertheless, did not explain what they meant by political tensions and dynamics.⁴⁶⁸ The American war with Iraq had an impact on Indonesia's relationship with the US. According to Budianta, the war showed the failure of US foreign policy to distinguish clearly, fundamentalism from terrorism, and this is an essential reason, "a great majority of Indonesians view the US government as an aggressive, militaristic danger to the world".⁴⁶⁹ Nonetheless, all Indonesian respondents viewed that the relationship in education with the US had benefitted Indonesia. It is expected, therefore, by the Indonesian respondents that there must not be political agendas in education. It is also not surprising that the education relationship is emphasised and relied on to enhance understanding between Indonesia and the US. Typical comments from the respondents included:

The ultimate aim of the partnership is to improve understanding between the two countries. (*Indonesian official working in a US governmental agency (Respondent 6)*)

⁴⁶⁸ Nor did the researcher probe questions surrounding political tensions and dynamic.

⁴⁶⁹ Melani Budianta, "Beyond the Stained Glass Window: Indonesian perceptions of the United States and the War on Terror." In *What They Think of Us: International Perceptions of the United States Since 9/11*. Ed. Farber D (NJ: Princeton University Press, 2007), 27-48.

Learning both sides; Indonesia learns by sending students to the US and they are not only learning science, technology or math but also learning the culture. By having this learning, misunderstanding would be eliminated or minimised. (*Indonesian vice-president of US company (Respondent 9)*)

For these respondents, mutual understanding is a priority and achieved through the education relationship. Education exchanges and their effects create benefit by growing the understanding between the participating states.

In considering whether learning about each other improves understanding between Indonesia and the US, it is interesting to note that respondents who graduated from American universities, and who had lived in the US, showed a greater appreciation of Americans. The respondents who studied in the US for one year or less showed a greater appreciation of Americans, although they were cautious of losing their cultural identity. Similarly, American participants who have visited Indonesia show a greater appreciation of Indonesia's diverse cultures and its geopolitics. As one noted:

I can't begin to describe all I've learned...I think the bottom line is cross cultural understanding, and we have those personal friendships that evolve and develop. As far as the faculty is concerned, I think that we learn a lot from one another. (*American respondent negotiating and administering MoUs (Respondent 16)*)

The respondent describes the benefits that accrue to each state. Studying abroad brings tremendous consolations and personal benefits. These benefits include the personal friendships and understanding and the professional advantages gained from learning through working collaboratively. Another respondent commented:

I would say we would gain a better understanding of a very important country in the world, Indonesia, with a very large population and an increasingly important role in geopolitics, the Pacific. In addition, we would also gain by having some students come from Indonesia, to our university. They would then go back to Indonesia and be successful so that we would then have friends in companies or in government in Indonesia. We could then build connections for our local economy in Oregon. *(American vice-president for research and strategic partnership (Respondent 15))*

For the above respondent, friendship and relationships are exploited to best effect through international collaboration. Graduates returning from America become unofficial emissaries for the US, within Indonesia. The following respondent explained this:

My kind of thinking is that we must overcome misunderstandings. I am fortunate to have lived in the United States for thirteen years. I know the real people besides the politics.... With exchange students there will be much better understanding between Western, American culture and Indonesian. *(Indonesian vice-president of US company (Respondent 9))*

The comment is both powerful and persuasive, and the respondent is enthusiastic and optimistic about the understanding gained of America and Americans. Having been a recipient of education exchanges, the respondent champions the good of cultural understanding that education exchanges provide.

In determining whether learning about each other improves understanding between Indonesia and the US depends on a long-term

commitment. It is unreasonable to expect that parties may understand each other based on only a short-term commitment. The US-Indonesia Comprehensive Partnership launched officially by President Obama and President Yudhoyono is based on long-term commitments, not a short-term partnership which is often called an "opportunistic partnership" or partnership which is event-specific, and non-systematic.⁴⁷⁰ Americans have the opportunity to study Indonesian culture, language, and arts, under Darmasiswa scholarships. Similarly, Indonesian youth have the opportunity for AFS (American Field Scholarship) exchanges for greater cultural understanding.

Most American and Indonesian respondents agreed that the education relationship was not about trying to bring political pressure on any of the parties. The following respondent stated:

The Ford scholarships have been a really good model. USAID approached Ford when they heard Ford was cancelling and said they would fund it. Ford said they didn't want USAID to change it, make it political and bad. They negotiated and Ford is confident, at this point historically, that the scholarships will be the same kind as in the past, and they won't be politicised. That's one of the discussions that I was part of when I was in Jakarta. (*American respondent negotiating and administering MoUs (Respondent 16)*)

American negotiators are aware of the ramifications of political collaboration in the relationship, as any political pressure has the proclivity to

⁴⁷⁰ Canto and Hannah, (2001). As mentioned in chapter 5, the US-Indonesia Comprehensive Partnership is a long-term agreement with several aspects including defence and security, energy, trade and investment, climate change and environment, democracy and civil society, and education. See "US-Indonesia Joint Commission and Bilateral Meeting," Office of Spokesman, Department of State September 2010.

cause a political furore and staunch opposition toward the US.⁴⁷¹ Likewise, any political conditions attached to the education relationship have the potential to incite hostility toward the US and thus impede the objectives of the Indonesia-US education relationship.

As indicated by most Indonesian and American respondents, learning from and about each other was preferred over any political connections. As one respondent commented:

...the dominant concern is to learn from each other; learn from other countries. There are numbers of interesting issues, such as agriculture, environment, opportunity for women, and so forth. This is essentially not a political relationship but a significant role we can play is to work with each other. (*American respondent dealing with the US-Indonesia education exchange (Respondent 12)*)

This respondent indicated that any political relationship that serves the interests of the US is subjugated for the sake of collaboration. Working side by side benefits the understanding each state has for the other.

The question arises as to whether the education relationship, if it is not overtly political, can still serve political interests. From the outset, through the US-Indonesia Comprehensive Partnership, the relationship has been about politics, thus the education relationship is unavoidably politically related. Both Indonesia and the US have political interests in having a relationship with each other. The US is regarded by the Indonesian government as a friendly power that can counter-balance China, and which is economically important for Indonesia, whereas Indonesia is regarded as strategically and politically

⁴⁷¹ See Timo Kivimaki, *US-Indonesia Hegemonic Bargaining: Strength of Weakness* (Hants, England: Ashgate, 2003).

important by the US.⁴⁷² The education relationship is unavoidably politically motivated, as education has the potential to serve the political interests of both Indonesia and the US. Nye argues that the US has been able to exercise its soft power influence through prestigious American universities.⁴⁷³ Nye also argues that international students usually return home with a greater appreciation of American values and institutions as students' beliefs surrounding the US that have been formed from propaganda caricatures in their home countries are transformed.⁴⁷⁴ Education has the potential to serve the interests of the US. As Vaughn of the Congressional Research Services indicated:

...expanding bilateral education exchanges, research grants, and language training could seek to educate Indonesia's present and future elite while giving them an enhanced understanding of the US and its values. Such educational exchanges could also provide Americans the opportunity to better understand Indonesia and the role that it plays in its region and in the Islamic world.⁴⁷⁵

Vaughn's interpretation of the benefits to both states is pragmatic and political. Indonesia's leaders will become familiar with American culture and Americans will have a better perspective on regional politics.

The education relationship with the US also has the potential to serve the interests of Indonesia. Anwar argues that education is often regarded as

⁴⁷² The discussion of the importance of each state to the other is beyond the parameters of this thesis. The role of Indonesia in ASEAN, the interests of the US in the South China Sea (which is located to the north of Indonesia), and Indonesia's democratic system, even though it is the world's most populous Muslim country, are all important to the US political interests. The role of the US as a counter-balance in the South China Sea dispute, its market that has been profitable for Indonesia's rubber and allied products, are all important to Indonesia.

⁴⁷³ Joseph Nye, "Soft Power and Higher Education," last modified July 20, 2011, <http://www.net.educause.edu/ir/library/pdf>.

⁴⁷⁴ Ibid.

⁴⁷⁵ Bruce Vaughn, "Indonesia: Domestic Politics, Strategic Dynamics, and U.S. Interests," *Congressional Research Service*, last modified March 20, 2013, <http://www.crs.gov>.

one of the critical components in human security, rendering to state building and resilience. The crux of this argument is that educational attainment enables people to improve their economic status, and to address the issues of poverty, illiteracy, and low education attainment that have trapped millions in Asia in a vicious cycle of misery and despair.⁴⁷⁶ Indonesia's Secretary of Higher Education Council, Nizam, emphasised the need to enhance Indonesia's education relationship with the US because the US has prestige in its technology, science, engineering, and mathematics.⁴⁷⁷ Technology and engineering, in particular, play an important role in *ketahanan negara* or state resilience, as technology and engineering are essential for defence. The Indonesian Navy chief admiral, Slamet Soebijanto, said that Indonesia's defence technology "is still far behind other countries"⁴⁷⁸ As these fields serve the interests of Indonesia, they are now approved areas of study.⁴⁷⁹

Although out of 16 Indonesian respondents, 12 claimed that the education relationship between Indonesia and the US must not have political agendas, the education relationship is a part of politics, and that is unavoidable. Politically, Indonesia and the US have a 'love, hate' relationship, as expressed by some scholars and government officials in the following ways:

There was a period when Indonesia was very close to the US, and there was also a period when Indonesia told the US to go to hell with its

⁴⁷⁶ Dewi Fortuna Anwar, "Human Security: An Intractable Problem in Asia," *Asian Security Order: Instrumental and Normative Features*, ed. Muthiah Alagappa (California: Stanford University Press, 2003).

⁴⁷⁷ Gandang Sajarwo, "Indonesia: The US Enhance Cooperation in Education," *Kompas*, April 20, 2012.

⁴⁷⁸ Indonesian Ministry of Defence, <http://www.balitbang.dephan.go.id>.

⁴⁷⁹ The schedule of Indonesia's commitments in education services under the General Agreement in Trade and Services include electronics, automotive, and language courses (see chapter 4). Defence, climate change, science, environment, marine biodiversity, public health, English language, and teacher training are considered important in the US-Indonesia Comprehensive Partnership (see chapter 5). As these fields serve the interests of Indonesia, they are now officially approved areas of study.

aid. We tell the US to go away but come and help us!⁴⁸⁰

We love the American democratic political system, we love the US education system, and it is a fact that even among people who are against the US, they still send their daughters and sons to the US based on the assumption that US education is the best in the world. We love American pop culture and icons such as McDonalds, Pizza Hut and Coca Cola.⁴⁸¹

Some radicals can be annoying, they are not consistent. They hate Americans but they go to McDonald's and wear jeans, and listen to rock music. American education is still favoured by Indonesians. American pop culture is also favoured by most Indonesians. (*Indonesian government official (Respondent 5)*)

An ongoing vacillation is evident between pro-American and anti-American sentiments. The feelings toward the US among some Indonesians, nonetheless, were stated clearly at least by one respondent:

They [fundamentalists] always say America is Satan. America is known by some as the United States of Arrogance. Especially when Americans occupy other countries, and are so aggressive to Pakistan, Afghanistan, Iraq and so on. But a lot of our lecturers and students would like to study in the USA, England, and New Zealand. (*Former Indonesian rector who dealt with MoUs (Respondent 7)*)

⁴⁸⁰ Speech by Dewi Fortuna Anwar. See Dewi Fortuna Anwar, "Indonesia's Perceptions of China and the U.S. Security Roles in East Asia," *The Habibie Centre*, 2006.

⁴⁸¹ Speech by A. Dahana, "Indonesia's Perceptions of China and the U.S. Security Roles in East Asia," *The Habibie Centre*, 2006.

Although, according to this respondent, the Islamic fundamentalists are those who have anti-American sentiments, many Indonesians regard the US as arrogant. Yet, many still like to study in the US. Americans are aware of this love-hate relationship. A report published by Pew Research Centre, commented on the Indonesian opinion polls on the US:

Anti-Americanisation has not only deepened, but it has also widened. People see America as a real threat. They think we [America] are going to invade them.⁴⁸²

The negative and suspicious feelings towards the US among some Indonesians have the potential to weaken the bilateral relationship between the US and Indonesia. Building people-to-people relationships, which has been on the agenda in the Indonesia-US education relationship, is certainly an imperative. Most Indonesian respondents value the importance of building a relationship. As one respondent commented:

I think we need to have this partnership in spite of the political tension. The political relationship is up and down and sometimes emotional. But I am sure through this education partnership, people can build a relationship; people to people and tolerate and accept others' differences, and facilitate official diplomatic conflict solutions. (*Indonesian government official (Respondent 8)*)

The above respondent is clearly optimistic about the understanding gained from the relationship in spite of political tension attached to the

⁴⁸² Meg Bortin, "Polls Show U.S. Isolation: In War's Wake, Hostility, and Mistrust," *The International Herald Tribune*, June 3, 2003.

Indonesian 'love, hate' sentiments toward the US. Aspects of the relationship are described by Novotny as, "the kind of a love and a hate from our side".⁴⁸³

Novotny explains these aspects of the relationship:

...while the 'love' aspect of the attitude means that Indonesia is seen as 'part of the Western orbit', the 'hate' aspect refers to the perception that the omnipresent influence of the West and particularly the United States' ability to interfere in Indonesia's internal affairs essentially constitute a threat to the country's national security.⁴⁸⁴

In referring to Indonesia being seen as "part of the Western orbit", Novotny describes this aspect as the "love" aspect of the relationship. One respondent noted:

...people think when they study in America they are in the centre of the world. My colleagues say, "What? Did you say you want to study in Australia? Why not study in the United States?" I answered "Why not? I got a scholarship to go to the best university in Australia". (*Indonesian director of the international office of a university in Indonesia (Respondent 10)*)

Australia is closely aligned with the US, and yet is in a unique geopolitical position to Indonesia. It is much closer for one thing. Though the US has had a high profile in Indonesia's education exchange, Australia also features significantly; and Australia does not attract the same hostility the US has been prone to. For Indonesians, Australia is familiar, collegial and a close neighbour, although for some, the US is preferred.

⁴⁸³ In Daniel Novotny, "Indonesian Foreign Policy: A Quest for the Balance of Threats," (PhD thesis., The University of New South Wales, 2007).

⁴⁸⁴ Novotny, (2007).

The following comment, however, illustrates the negative feelings toward foreigners (the West):

We have been many times too trusting with foreigners. For instance, foreign scholars conducted research on tropical diseases like influenza but then when we want to know the outcomes of the research and the product they produce from the research we must pay. Of course that can make us angry. (*Indonesian research manager (Respondent 3)*)

Although the above respondent did not mention Americans, the comment that Indonesians have been too trusting, and Indonesians are angry with past events, would indicate there will be challenges in agreements because truly effective relationships are developed in a climate of trust and alliance. From Respondent 3's comment, it is clear that the dispute over research is not between education institutions. Yet, disputes over research in the past have influenced attitudes toward education collaboration.

Some Indonesian respondents claimed that the US, through USAID, has played an important role in enhancing the credibility of Indonesian research. As one respondent commented:

If we are under the umbrella of USAID, our work is more credible. (*Indonesian research manager (Respondent 3)*)

Even though suspicion and opposition to the US have also been clearly evident in many cases, and close ties with the US ignited suspicion and opposition from many Indonesians, most Indonesian respondents perceived

that the relationship in education with the US was beneficial.⁴⁸⁵ The above respondent (Respondent 3), for instance, believes the relationship in education with USAID brings recognition and credibility to Indonesian education.

Even though the Indonesian government still maintains a relationship with the US, despite public sentiments toward the US, strengthening the relationship with civil society and its institutions is an important task.⁴⁸⁶ Non-governmental organisations, in particular, are influential in consolidating the perspectives on the US among Indonesians. Therefore, strengthening relationships with them has the potential to change negative images of the US. There are, nevertheless, other challenges to developing understanding between the US and Indonesia, which the following comment captures:

...not many people in Oregon know about Indonesia, and not many people know about Oregon so we have to work very hard to gain that awareness. (*Vice-president for research and strategic partnership (Respondent 15)*)

Overcoming this obstacle of ignorance and hostility requires academic exchanges that include languages and cultural exchanges utilizing both scholarships and fee paying funding. An issue however emerges, as the rich usually have the privilege of the exchanges. As the following comment illustrates:

...they [the scholarships] nearly always end up going to the wealthier, upper middle class student. The Indonesian government also funds fellowships, of course, to travel to the US. Who

⁴⁸⁵ These aspects of suspicion and opposition to the US and close ties with the US that ignited suspicion and opposition from many Indonesians, are beyond the scope of this thesis. These, however, are discussed briefly in chapters 5 and 6.

⁴⁸⁶ See Novotny, 2007. It should be noted, however, some in the government held very negative views towards the US e.g. Hamzah Haz (the former vice-president) and Amien Rais (leader of a political party).

gets those fellowships? Well our experience has been that it is usually the sons and daughters of well-placed bureaucrats. What we call nepotism. So, that is interesting to look at. (*American respondent negotiating and administering MoUs (Respondent 16)*)

The children of the rich get the privileges and advantages of an overseas degree, which puts them in good stead for a high position, and so the cycle is perpetuated. Only clearer guidelines directing the distribution of scholarship finances, and close auditing will ensure equitable and fair education travel exchanges. There is a frustration expressed in the comment of the above respondent, as the scramble to attain high education qualifications corrupts the just distribution of resources made available through education aid.

To study in English speaking countries, students from non-English speaking countries are required to take international English tests such as IELTS (International English Language Testing System) and TOEFL (Test of English as a Foreign Language). To take courses and exams such as these is costly for the Indonesian middle and lower classes.⁴⁸⁷ The US, however, has attempted to address the needs of Indonesia by establishing the largest English Language Fellow Program in Indonesia, and offering joint degrees, joint research projects, technical assistance, and scholarships.⁴⁸⁸ Other initiatives for reaching the wider community with scholarships are explained by the following respondent:

⁴⁸⁷ The cost of the examination is approximately US \$150 and that does not include IELTS preparation courses. These fees are expensive even for the middle classes.

⁴⁸⁸ US Department of State, "United States-Indonesia Education Cooperation," Bureau of Educational and Cultural Affairs, last modified August 10, 2012, <http://www.exchanges.state.gov>; The White House, "Fact Sheet: Higher Education Partnership with Indonesia," http://www.whitehouse.gov/sites/default/files/us-indonesia_higher_education_partnership; Alan Dessoif, "Building Partnerships: Indonesia and the United States," *Embassy of Indonesia*, http://www.embassyofindonesia.org/education.docpdf/building_partnerships_indonesia_us.

We design six year [English] programmes to include applicants that have a lower score [in IELTS] and when they receive the scholarship we also fund a full six month intensive English course because we want to reach those less served communities and people that don't have a higher English score, rich people versus those who are less privileged economically. (*American respondent working in a US governmental agency (Respondent 17)*)

Ensuring the underprivileged get equal opportunities for exchange is a precedent for the above respondent. Reaching the less advantaged has been achieved through the provision of English language programmes. Fair access to exchange programmes reflects the current attitudes among both Indonesians and Americans.

To summarise, Indonesian respondents were aware of political tensions and dynamics with the US. Nonetheless, all Indonesian respondents viewed that the relationship in education with the US was beneficial for Indonesia. It was an expectation therefore, of the Indonesian respondents, that there must not exist political agendas in education. Rather, the relationship is stressed for the purpose of enhancing understanding between Indonesia and the US. In order to build a stronger relationship, both Indonesia and the US have made long-term commitments through the US-Indonesia Comprehensive Partnership. Most respondents are clear that the education relationship must not have political agendas. Yet, the US-Indonesia Comprehensive Partnership is designed to serve the interests of each other's state. Thus, it is unavoidable that the Indonesia-US education relationship has the potential for political repercussions. It is important to note, however, that the relationship is not overtly trying to bring political pressure to bear on any of the parties involved in the education transactions.

7.4 Concluding remarks

The nature of the Indonesia-US education relationship is encapsulated in two main points. Firstly, Indonesian respondents stated that they valued Americans' knowledge and technology and had a strong interest in adopting them. Although the one-way transfer of knowledge from, and dependence on, foreign experts is evident, the Indonesian government has attempted to reduce dependence on foreign countries, whether that reliance was on knowledge or on finance.

Foreign financial assistance has been welcomed in Indonesia. Indonesia has however attempted to reduce dependence on foreign financial assistance in education by increasing its budget in education expenditure and by contributing financially to its education relationship with the US. For these reasons, it is safe to argue that the Indonesia-US education relationship does not perpetuate foreign financial dependency. Indonesia has various relationship choices for education aid, and whether or not the US is its principal donor, Indonesia will continue, in the foreseeable future, to require education grants from a range of sources. The following hypothesis then fails to explain key aspects of the Indonesian-US education relationship:

Hypothesis 1: Transnational education is about the development of a new imperialism by perpetuating knowledge and financial dependency through the transfer of knowledge and foreign aid in education.

Secondly, although the Indonesia-US education relationship is politically motivated towards serving the interests of each, most respondents believed that any US political agendas were unacceptable. The experiences of both Indonesian and American respondents show that the relationship enhances and improves understanding between Indonesia and the US through academic exchanges and scientific and research links. The following hypothesis, therefore, is supported in the case of the Indonesian-US education relationship:

Hypothesis 2: Transnational education advances learning about other states, and has the potential to improve relationships, and promote international understanding.

Whether transnational education diminishes the education sovereignty of the less developed state, for example in the case of Indonesia, will be assessed in the following chapter.

CHAPTER VIII

EQUALITY IN THE INDONESIA-US EDUCATION RELATIONSHIP

8.1 Introduction

As outlined in chapter 6, when asked how they saw the educational relationship between Indonesia and the US, the Indonesian respondents chose the word 'equality' to describe it. While the balance of power between the two nations had not been one of the original ideas chosen for exploration in this thesis, the frequency with which the term equality occurred does suggest that this idea requires further consideration. The notion that the relationship was equal was obviously of considerable importance to the Indonesian negotiators. Furthermore, their repeated reference to this term indicates their concern to position Indonesia in a particular way in these educational exchange agreements. This chapter, therefore, discusses the concept of equality in terms of: the way that equality is perceived in the relationship, and the function that reference to equality performs; and, in relation to this, the extent to which educational sovereignty is retained by the Indonesian parties. In addressing these questions, the chapter examines hypotheses 3 to 6, as outlined in chapter 2:

1. **Hypothesis 3:** The provision of American education programmes in Indonesia undermines Indonesian educational sovereignty;
2. **Hypothesis 4:** American education providers operate within the terms of negotiated exchange agreements and do not undermine or weaken the educational sovereignty of Indonesia;
3. **Hypothesis 5:** American financial assistance in education threatens the educational sovereignty of Indonesia;

4. **Hypothesis 6:** American financial assistance is an instrument for the development of Indonesia and for its education.

This chapter begins by reviewing the way the Indonesian negotiators emphasised equality in the relationship with the US (section 8.2). It discusses whether Indonesia is actually free to negotiate as an equal party, and whether it is in a position to pursue any exchange which it finds attractive. The chapter goes on to consider the question of whether American education provision weakens the educational sovereignty of Indonesia (section 8.3). In doing so, section 8.4 reflects on the extent to which Indonesian respondents believed they were coerced into accepting American financial assistance in education; whether both Indonesian and American parties set the terms of the recipient/donor relationship; and, whether both states can work together when the financial resources of one state are so much greater than those of another. Conclusions are drawn in section 8.5

8.2 Why equality?

In chapter 6, equality in the Indonesia-US education relationship was discussed in terms of shared contribution, benefits, responsibility, and commitment. In this context, equality in the Indonesia-US education relationship is a descriptive concept. Equality in the Indonesia-US education relationship is also a normative concept because equality requires what Capaldi calls “special treatment”.⁴⁸⁹ This special treatment includes addressing inequality in order to maintain equality, as discussed in chapter 6. In this section, the importance of Indonesia’s need for equality in the relationship is explored because equality was obviously of considerable importance to the Indonesian negotiators.

The following comment illustrates how one respondent understood equality in the Indonesia-US education relationship. This respondent asserted:

⁴⁸⁹ Nicholas Capaldi, “The Meaning of Equality.” *Liberty and Equality*, ed. Tibor Machan (Stanford, CA: Hoover Press, Stanford University, 2002).

...we are equals no matter who we are.... That is why I will ask constantly for equal efforts from other countries also.... If they are sending 10,000 compared with the population of Indonesia it should be the same effort from other countries to send their students to Indonesia, because it isn't fair. Let's say we have 17,000 students in Australia, while only a tiny number come to Indonesia. Only a few people know about Indonesia so the same effort applies to other countries, the US as well. I constantly ask the US government through the US embassy here to send their young students to come to Indonesia. (*Indonesian government official (Respondent 11)*)

Equality is perceived by this respondent as both a descriptive concept (people are equal) and a normative concept (equal efforts from other states, are still required for realising equality in the relationship). The assertion of equal status, in this instance, was expressed as an expectation that the exchange of students should be mutual, and it led to calls to increase the number of American students studying in Indonesia. Believing that Indonesia was equal with other states, the respondent asked governments with which Indonesia had exchange agreements to send young students to Indonesia also.⁴⁹⁰

The idea of equality, and of being seen as an equal, was, therefore, of significant importance to the Indonesian respondents. Closely associated with this was a concern not to be taken advantage of:

We need to be equal. They must not exploit us because they think we are stupid and do not

⁴⁹⁰ As discussed in earlier chapters, one of the objectives of the education relationship between Indonesia and the US is to enhance understanding between these two states. As a government official, the respondent has endeavoured to achieve the objective of improving understanding between Indonesia and the US.

know anything! (*Indonesian research manager
(Respondent 3)*)

The assertion of equality, therefore, may be seen as being related to the assertion of national and cultural pride, and as a challenge to being positioned as backward or needy. There was a necessity and an expectation that the two parties see each other as being fully equal in the education relationship.

The assertion of equality was linked to the concern not to be ‘exploited’, a possibility that was also expressed by another respondent:

We don’t want to be exploited; to provide what they always want. We open the gate for the cooperation, we help them to find the data, we help them to find a network among the government officials and Indonesian society. But they don’t want to help, like when our scholars going to their country. So we don’t want this kind of thing. (*Indonesian director of international office at an Indonesian university
(Respondent 10)*)

Here, the respondent saw the need to determine the essence of the educational experience of individuals when they study overseas. The respondent also reasons that Indonesia is taken advantage of if it continually subordinates its will to that of the US. Although equality, mutual respect, and mutual benefits are the guiding principles of the relationship, the output of the relationship is not always equally beneficial, as both states have different cultural norms.⁴⁹¹ This point is illustrated in the following comment:

We often have clash[es] of personality because of our different values. For instance, if we go to America, we have to do everything by ourselves

⁴⁹¹ Different cultural norms is only one factor which renders unequal output in the relationship. See The Indonesian Institute, “Indonesian-American Cooperation,” last modified August 6, 2013, <http://www.theindonesianinstitute.com>.

whereas if they come here, we are so hospitable, making sure that everything would be ok for them. Here, if they go back to America, we will accompany them to the airport with our drivers but over there they won't care, go by yourself.
(Indonesian research manager (Respondent 3))

Respondent 3's comment clearly stated that both Indonesia and the US have different cultural norms. As shown in chapter 9, Indonesians value interdependence. Thus, the expectation to be independent, when a guest in someone else's country, is interpreted as the other [i.e., American] party being uncaring. The comments from respondent 3 and respondent 10 above show that differences in attitude and cultural norms can result in a sense that some aspects of the relationship are indeed unequal.

Exercising autonomy, in terms of making independent decisions and entering into beneficial agreements, was seen by some Indonesian respondents as the essence of equality. The idea of autonomy was discussed in chapter 2, where each country was thought of as an autonomous state acting in accordance with its own interests. Further, the Indonesian Directorate of Higher Education defines equality in the relationship as being equally able to make decisions.⁴⁹² This is to say that equality is necessary for exercising autonomy. On this topic, the following respondent commented:

We have the capacity to be equal. If we cannot agree with America and other Western countries, we can partner with Asian countries.
(Indonesian research manager (Respondent 3))

This strong assertion of equality shows the ability of Indonesian parties to accept or to refuse to cooperate with the US. This assertion, as noted in

⁴⁹² Directorate General of Higher Education, *RENSTRA (Strategic Planning) 2010-2014*. Also see chapter 6.

chapter 6, informed the way the Indonesian parties entered into negotiations and was a way of maximising the benefits of the relationship.⁴⁹³ The respondent expected to be respected as a coequal in the agreement. The following respondent's comment reflected the same concern:

Some universities only want to bring some students from here. We don't want that. That's very much capitalism. I mean, if it is cooperation it should benefit both of us, not exploit. This is the thing, I think we can refuse. If they cooperate with us they don't want to provide us with professors but they want us to send students from Indonesia to study in their institutions. I think that is not fair. (*Indonesian director of international office at an Indonesian university (Respondent 10)*)

One of the defining features of educational sovereignty, as outlined in chapter 2, is the need to challenge the arbitrary authority of power structures to determine the essence of individuals' educational experiences. The respondent (Respondent 10) saw not only the necessity of retaining control of the commercialisation of education within Indonesia but also the necessity of being able to refuse what would not be beneficial for Indonesia. For the respondent, individuals determine their own course of learning, and are not to be used only as a convenience and to bring pecuniary gains to education providers. Knowledge is accessible through experience rather than determined by the arbitrary pronouncements of a few powerful individuals manifested in international corporations or international education providers.

The discussion in chapter 2 indicated that autonomy over national education is one of the defining features of educational sovereignty. Although

⁴⁹³ Also see Timo Kivimaki, "Strength of Weakness: American-Indonesian Hegemonic Bargaining," *Journal of Peace Research*, 30 (1993): 391-408.

exercising autonomy is clearly shown by the ability of the Indonesian government to regulate national education, and to establish a character-based curriculum, Indonesian respondents dealing with curriculum emphasise the importance of the US's acknowledgement of Indonesian cultural norms. Such acknowledgement could be achieved only within the context of an equitable relationship. As discussed in chapter 6, Indonesian respondents perceived American education to be superior. As expected, Indonesian respondents, particularly those who design education curriculum together with their American counterparts, claimed that equality involved having one's culture acknowledged. Hence as the discussion above suggests, there is a link between equality and autonomy. Through equality, the Indonesian respondents believe that it is possible to retain autonomy. Further, it was clear that, for the success of the exchange agreements, the American parties had to acknowledge equality with their Indonesian counterparts.

8.3 Impact on Indonesia's educational sovereignty

The protection of the ability to make decisions independently and to refuse foreign involvement in education was a clear concern of the Indonesian respondents. Retaining the ability to refuse or accept foreign involvement in education and to make decisions independently are defining features of educational sovereignty. This connection implies that equality in the education relationship is fundamental to retaining educational sovereignty. Given the importance of these interconnected concerns, examination of questions around whether Indonesia's educational sovereignty is weakened by its involvement with American education providers forms the topic for this section. The intention here is to examine the actual extent to which assertions of equality are realised in the relationship, and thus the extent to which educational sovereignty is retained by the Indonesian parties.

8.3.1 Hypothesis 3: The provision of American education programmes in Indonesia undermines Indonesian educational sovereignty.

As previously discussed in chapter 2, critical education theorists stress that transnational education positions the less developed states as commercially and politically weaker than developed states and, consequently, vulnerable to exploitation. This vulnerability exists regardless of whether the objective is the commercialisation of education or the promotion of mutual understanding. As outlined in chapter 7, educational links between the US and Indonesia that involve academic and research collaboration do tend to result in a one-way transfer of knowledge. Nguyen, Elliot, Terlouw, and Pilot have argued that through the transfer of knowledge, Western education influences both the cultures and educational systems of non-Western states.⁴⁹⁴ In this context, Western education can be seen as having the potential to weaken or undermine the educational sovereignty of the less developed party. It was emphasised in chapter 7, however, that in the case of the Indonesia-US education relationship, the Indonesian respondents were enthusiastic about adopting American education and regarded American education as being highly prestigious. The respondents were also clear in their positions in terms of what they were willing to accept and adopt, and what they would refuse. Thus, even though a one-way transfer of knowledge was evident, the relationship with the US did not necessarily mean Indonesia relinquished sovereignty in education.

The starting point for this examination of whether educational exchanges undermine the educational sovereignty of Indonesia is the work of authors such as Carnoy, Siqueria, Verger, and Bonal who argue that educational requirements through the GATS have the potential to put the less developed states at risk by requiring compliance with international trade

⁴⁹⁴ Phuong-Mai Nguyen, Julian Elliot, Cees Terloaw, and Albert Pilot, "Neo-colonialism in Education: Cooperative Learning in an Asian Context," *Comparative Education*, 45, (2009): 109-130.

regulations. Such compliance leads, they suggest, to the loss of the authority to regulate internal education initiatives.⁴⁹⁵ Green, for example, states:

Liberalization of trade in education may weaken the government's commitment to an investment in public higher education, promote privatization, and put countries with weak quality assurance mechanisms at a disadvantage in their countries, by foreign providers.⁴⁹⁶

Three aspects of the liberalisation of trade in education, derived from Green's statement, are worth exploring: promotion of privatisation of education; weak quality assurance mechanisms; and commitment to investment in public higher education. With regard to the first aspect, privatisation involves the transfer of ownership and control of government or state assets, firms, and operations to the private investor.⁴⁹⁷ A policy of privatisation has been encouraged in Indonesia, evident, for example, in the 2010 statement by Parikesit Suprpto, the Indonesian deputy minister for financial institutions.⁴⁹⁸ Dissatisfaction with the performance of Indonesian public institutions was one motivation for the call for privatisation.⁴⁹⁹

⁴⁹⁵ Angela Siqueira, "The Regulation of Education through the WTO/GATS," *Journal for Critical Education Policy Studies*, 3 (2005) 1-16; Anthony Verger and Xavier Bonal, "Against GATS: The Sense of a Global Struggle," *Journal for Critical Education Policy Studies*, 4 (2006) 1-27; Martin Carnoy, *Education as Cultural Imperialism* (New York: David McKay, 1975); Andre Gunder Frank, "The Development of Underdeveloped," *Imperialism and Underdevelopment*, ed. Robert Rhodes (New York: Monthly Review Press, 1970).

⁴⁹⁶ Madeleine Green, "GATS Update," *International Higher Education*, 37 (2004):3-5.

⁴⁹⁷ OECD, "Glossary of Statistical Terms", <http://www.stats.oecd.org/glossary>.

⁴⁹⁸ Faisal Baskoro, "State firms to buy bonds in case of capital reversal," *The Jakarta Globe*, <http://www.thejakartaglobe.com>. Also see Rangga Fadilah, "SOEs' Net Profits Expected to Reach US\$ 12.6 Billion this Year," <http://www.embassyofindonesia.org/news>.

⁴⁹⁹ L. P. Jones, (ed), *Public Enterprise in Less Developed Countries* (New York: Cambridge University Press, 1987); R. P. Short, "The Role of Public Enterprises: An International Statistical Comparison," in *Public Enterprise in Mixed Economies: Some Macro-economic Aspects*, eds. Robert Floyd, Clive Gray, and R. P. Short (Washington, DC: International Monetary Fund, 1984); Nicolas Van De Walle, "Privatization in Developing Countries: A Review of the Issues," *World Development*, 17 (1989): 601-615.

Concerns, however, have been voiced over privatisation in the education sector. Winarno Surakhmad, a former president of the Jakarta Teachers Training Institute, for instance, has argued that privatisation always culminates in higher costs; the rich will have access to education whereas, the poor will stay poor and will be unable to access higher education. He further argues that, when privatisation of education is encouraged, foreign investors will own large parts of institutions.⁵⁰⁰ In such a scenario, fees will rise, and education will become the privilege of those who can afford to pay for it.

It is important to note, however, although the credibility of foreign education— particularly American education—has attracted many Indonesian middle-class investors to foreign education,⁵⁰¹ the commercial presence mode of delivery is highly regulated. According to Presidential Regulation 77/2007, foreign education institutions are limited to 47 % of shares in education institutions in Indonesia, with 80% of the educators must be Indonesian national.⁵⁰² In this context, foreign education institutions are recognised as Indonesian education institutions. It is necessary to note that privatisation of higher education at national level is facilitated due significantly to the government's recognition of private post-secondary education institutions through education law, and is encouraged by the government as a way of accommodating, an overflow of high school graduates (see chapter 4). The Indonesian Government has such tight restrictions on the operation of foreign education providers (commercial presence mode), in order to protect local education institutions from competition.⁵⁰³ In this context, the government of

⁵⁰⁰ See *Jakarta Globe*, "Education privatization bill encounters expert opposition." <http://www.thejakartaglobe.com>. It is important to note, however, although foreign investors such as Exxon Mobil, Chevron, Intel, and Coca-Cola have contributed financially to education in Indonesia, they are not education institutions. Therefore, their activity in education is not competing with Indonesian post-secondary education institutions.

⁵⁰¹ Centre for Middle Class Consumer Studies, "The Role of Middle Class in Indonesia and Its Differences from Those of Other Countries," <http://consumer3000.net>. Also see <http://www.indonesia-digest.net/2420usrelations>.

⁵⁰² Presidential Regulation 77/2007. See <http://www.dephut.go.id/files/perpres-77>.

⁵⁰³ See chapter 4.

Indonesia still retains a high degree of regulation over the education sector, and, therefore, educational sovereignty.

The second aspect of liberalisation of trade in education is related to education quality assurance mechanisms. Frase and O'Sullivan in *The Future of Education under the WTO* argue that the quality of education should be questioned because there is little control over what is being taught by foreign education institutions.⁵⁰⁴ As the commercial presence of foreign education providers is restricted, the issue of poor quality of education is not a consequence of the operation of American education providers. Besides, from the interviews, the respondents clearly regarded American education as being prestigious and being of higher quality than Indonesian education. Collaborating with American education institutions was seen as having the potential to improve Indonesian education quality. Indonesian respondents also showed a willingness to collaborate only with universities that were higher ranked than Indonesian universities. In this context, once again, the respondents were clear on their positions in terms of what they were willing to accept.

The third aspect of liberalisation of trade in education is concerned with whether government expenditure in education is decreasing. Commercialisation of education typically, but not necessarily, entails user charges and it is often accompanied by corporatisation as well as deregulation as seen in, for example, the removal of regulations sanctioning free education.⁵⁰⁵ Understood in this way, the extent to which Indonesia's education sovereignty is weakened by the provision of American education programmes in Indonesia then can be evaluated based on the extent to which

⁵⁰⁴ Peter Frase and Brendan O'Sullivan, "The Future of Education under the WTO," last modified December 2009, <http://www.campusdemocracy.org>.

⁵⁰⁵ Corporatisation refers to the creation of an enterprise in place of an administered government department. See Simon Marginson *Markets in Education* (St.Leonards, NSW, Australia: Allen and Unwin, 1997).

the government commits to an investment in public higher education. According to the World Bank, in 2007 Indonesia spent 17% of its total national expenditure on education. Although a small amount compared to its Southeast Asian neighbours, public expenditure in education (elementary to tertiary education) had moved up from the 11.4% of total national expenditure spent on education in 2001.⁵⁰⁶ This spending illustrates Indonesia's commitment to investment in public education. The allocation of public expenditure to education has been mainly for primary education (75% of the total education budget). 15% of the total education budget has been allocated to secondary education. Only 10% of the total budget for education has been allocated to post-secondary education.⁵⁰⁷

Although government expenditure in education has increased, the government initiated autonomy in higher education. It means not only are district tertiary education institutions self-governing entities and able to make independent decisions without central government, but also tertiary education institutions are expected to be independent financially.⁵⁰⁸ The autonomy policy is welcomed by Indonesian universities for its principle is to enable universities and district universities to make independent decisions without the control of central government.⁵⁰⁹ Nonetheless, user pays policy as a way to be financially dependent has been a controversial issue because of the fear that post-secondary education is only for those who can afford to pay.⁵¹⁰ Here, user

⁵⁰⁶ The World Bank, "Investing in Indonesia's Education: Allocation, Equity, and Efficiency of Public Expenditures," <http://www.sitesources.worldbank.org/INTINDONESIA/Resources/publication/280016-152870963030/invest.Educationindo.pdf>.

⁵⁰⁷ Teguh Wicaksono, and Deni Friawan. "Recent Development in Higher Education in Indonesia: Issues and Challenges," *Financing Higher Education and Economic Development in East Asia*, eds Shiro Armstrong and Bruce Chapman. Canberra: ANU E Press, 2011.

⁵⁰⁸ See Law of the Republic of Indonesia on Local Government, [http:// datahukum.pnri.go.id](http://datahukum.pnri.go.id).

⁵⁰⁹ Saiful Rizal, "7 state universities support autonomy," SH News, April 20, 2013.

⁵¹⁰ Financial autonomy has been interpreted in various ways. For educators, financial autonomy can mean increased income because universities are free to make independent decisions with regard to salaries and tuition fees. For students, financial autonomy can mean the ability to reject increased tuition fees and choose between universities. For the Indonesian

pays policy has been implemented not because educational requirements of the GATS have the potential to put Indonesia at risk by requiring compliance with international trade regulations. Rather, the concern surrounding user pays policy arises from the implementation of financial autonomy of Indonesian post-secondary education institutions.

Although the government expenditure in education has increased, not only has the financial autonomy of post-secondary education in been initiated and supported, but also the active participation of non-state actors in the education sector is encouraged.⁵¹¹ The following respondent commented:

Tier 2 is private-to-private as government does not have a significant role in higher education. Universities have their own autonomy. It is not enough we have only G to G [government to government]. (*Indonesian government official dealing with MoUs (Respondent 8)*)

The relationship is not only between state actors but also between non-state actors, and state and non-state actors. At the Public-Private Partnership (PPP) level, Public-Private Partnership institutions, such as Exxon Mobil, Intel, and Conoco Phillips have assisted financially in the establishment and improvement of education facilities.⁵¹² At the university level, Indonesian and American higher education institutions have collaborated in both research and education exchanges. Increased contributions to the collaboration, as discussed in earlier chapters, are perceived by the Indonesian respondents to be necessary for maintaining equality in the relationship and, hence, to enable

Ministry of Finance, financial autonomy means that the ministry is no longer responsible for financing Indonesian post-secondary education.

⁵¹¹ See chapter 4 and chapter 5.

⁵¹² See USAID, "Education – USAID/Indonesia," <http://www.indonesia.usaid.gov/en/programs/education>; Exxon Mobil, "Exxon Mobil in Indonesia," <http://www.exxonmobil.co.id>; USAID, "Syiah Kuala: Aceh Teacher Training Support," http://www.indonesia.usaid.gov/en/usaaid/activity/218/syiah_kuala_aceh_teacher_training_support.

them to make independent decisions. Equality is thus an attribute of sovereignty because equality is necessary for retaining sovereignty.

The extent to which Indonesia's educational sovereignty is weakened by the provision of American education programmes in Indonesia can also be evaluated based on the extent to which the government has the capacity to implement regulations in the education sector and enforce national education law. The government of Indonesia has over many years regulated national education and has enforced national education law. Indonesia's National Education Law of 2003 authorises transnational education in Indonesia's territory.⁵¹³ Foreign education in Indonesia, as noted above, is highly regulated, particularly mode 3 (commercial presence), to protect local education institutions from competition with foreign providers. Foreign education services must also collaborate with an Indonesian provider, and together with its local partner, they must be registered as accredited education providers with the Ministry of National Education. In addition to prohibiting the commercial presence mode in Indonesia, under presidential regulation 111 of 2007 and presidential regulation 36 of 2010, academic directors and executives must be Indonesian citizens. Temporary entry for foreign experts engaged in education activities in Indonesia is also subject to approval by the Ministry of National Education. There is no evidence to suggest the government of Indonesia lacks the capacity to implement these regulations in the education sector.

As the interviews have illustrated, American education, particularly in management, and technology, is highly regarded, and education exchanges and research collaboration provide supplementary support to Indonesian education. Improvements in facilities are also a priority for improving education quality. The issue then is not whether foreign education is preferred to national

⁵¹³ See "Indonesian Law of the National Education System," <http://www.inherent-dikti.net>. Also see Sofian Effendi, "Quality and Transparency: Indonesia's Approach to Cross-border Higher Education," <http://www.sofian.staff.ugmac.id>.

education or whether the two forms are in competition. Rather, transnational education, other than the commercial presence mode, is used to supplement national education. If foreign education is supplementary to national education, and is limited to the consumption abroad mode, then the provision of American education programmes in Indonesia does not put Indonesia at a disadvantage.

In summary, the extent to which Indonesia's educational sovereignty is undermined by the provision of American education programmes in Indonesia can be evaluated based on the extent to which the government commits to an investment in public higher education, and restricts transnational education to the mode that is beneficial for Indonesia. The government is able to commit to an investment in public higher education. The Indonesian government also has the capacity to regulate the modes of education delivery not only between state actors but also between non-state actors and between state and non-state actors. When the government is able to restrict transnational education modes by committing only to those modes which benefit Indonesia, the argument that foreign education weakens Indonesia's ability to regulate education within its borders is not supported. This finding signifies that American education does not diminish Indonesia's educational sovereignty.

8.3.2 Hypotheses 4: American education providers operate within the terms of negotiated exchange agreements and do not undermine or weaken the educational sovereignty of Indonesia

A necessary starting point in assessing whether Indonesia's education sovereignty is undermined by foreign education providers has been established above through an evaluation of the extent to which the Indonesian government commits to an investment in public higher education, and restricts transnational education to the modes that are beneficial to Indonesia. The extent to which Indonesia agrees to and approves American education providers' operations is now examined. It is first worth making two brief

points. The first is, as discussed in chapter 6, that the interviews reveal that the relationship is based on mutually agreed objectives. The US is perceived by Indonesian respondents as having a good reputation in education and research, and with superior technology and management. Indonesia has offered scholarships and grants to Americans to learn Indonesian languages, arts, and culture; in return, the US has offered scholarships, grants, and technical assistance to Indonesia.⁵¹⁴ Both the US and Indonesian governments have a shared vision of increasing cooperation and ties that are critical to the bilateral relationship for addressing key regional and global challenges.⁵¹⁵ At the university level, there have been academic and research collaboration that benefitted Indonesia; American education institutions, by contrast, are able to recruit Indonesian students to study at their institutions. Mutual benefits can also be identified in Public-Private Partnerships. Exxon Mobil and other international companies, for instance, are able to operate their businesses with wider social acceptance by promoting corporate responsibility, contributing financially to the establishment of public education facilities, improving education quality, and developing educated and competitive graduates.⁵¹⁶

Secondly, as mentioned earlier in this chapter, respondents held the view that Indonesia entered into beneficial agreements. The typical comments included: “They do not dictate to us. We do not want that” (Indonesian

⁵¹⁴ USAID, “Fact Sheet: Higher Education Partnership with Indonesia,” <http://www.indonesia.usaid.gov>; USAID, “Comprehensive Partnership,” <http://www.indonesia.usaid.gov>; <http://www.jakarta.usembassy.gov>; US Department of State, “United States-Indonesia Education Cooperation,” Bureau of Educational and Cultural Affairs, <http://www.exchanges.state.gov>; The White House, “Fact Sheet: Higher Education Partnership with Indonesia,” http://www.whitehouse.gov/sites/default/files/us-indonesia_higher_education/Partnership.

⁵¹⁵ The Bureau of International Information Programs, “U.S-Indonesia Joint Declaration on Comprehensive Partnership,” <http://www.america.gov>. Sharing a vision of increasing cooperation and ties that are critical to the bilateral relationship for addressing key regional and global challenges signifies that the relationship is unavoidably related to political interests of both Indonesia and the US.

⁵¹⁶ According to OECD, corporate responsibility is the action taken by businesses to nurture and enhance mutual symbiotic relationships. See OECD, “Corporate Responsibility: Frequently Asked Questions,” Directorate for Financial and Enterprise Affairs,” <http://www.oecd.org/document>.

government official dealing with curriculum (respondent 1)); “Indonesia is not compelled.” (Indonesian government official (respondent 5)); “The government of America could not intervene with Indonesian national education because it is the authority of DIKTI.” (Indonesian official working in a US governmental agency (respondent 6)).

The following comments also illustrate that the Indonesian parties enter into agreements they find advantageous and are not coerced into accepting any agreement:

We have a record for each university; whether we need to enhance, whether we should cooperate with this university or not. The policy at that time was that we should cooperate with universities that are better than us. If they are not better than us, then what’s the point? We need to enhance our international standing so why should we cooperate with ones that are worse than us? This is in the consideration when we have an MoU. (*Indonesian director of international office at an Indonesian university (Respondent 10)*)

The cooperation is beneficial...mutually beneficial. I myself have gained benefits. Sandwich programmes, for instance, would not be established without cooperation and MoUs. Without MoUs it is not easy to get a letter of acceptance from a university in the US. So, with the partnership, we can go to the US much more easily. (*Indonesian chair of international cooperation of a university in Indonesia (Respondent 18)*)

One of the guiding principles, as emphasised in chapter 6, concerning collaboration with foreign universities is the concept of mutual benefits. Respondent 18 above clearly claimed there were benefits from educational

collaboration with the US. One of the benefits for Indonesian universities was clearly stated by respondent 10 above, that collaboration should be with foreign universities that are well known and among the best ranked internationally, or with universities that have particular strengths that appeal to and fulfil Indonesia's needs.

The ability to retain educational sovereignty, however, requires negotiation and re-negotiation for securing the exchange agreements, particularly in the areas which Indonesian parties perceive as unequal in the relationship, such as the better quality of American education. The following respondent shared her experience and perspective:

...usually we will try to negotiate. Because if it is a good university we cannot let them go. They said that if we do not want to cooperate with them, they will cooperate with Gajah Mada University. We have to negotiate what we can give to them, and what we can get from them. I think in that case we would be ready to negotiate. If it is a good university we will try and negotiate, but if it's not the best university and it has no benefit for us, usually in that case we will not progress. (*Indonesian director of an international office (Respondent 10)*)

The comment suggests that American providers are adept at shopping around for universities that will meet their needs, and that the threat to go to other universities weakens the bargaining position of potential Indonesian partners. The respondent vigorously pursued collaborations with US universities and she would be prepared to make concessions that other Indonesian universities would not in order to secure an exchange agreement. It is clear here that American providers had a good deal of bargaining power in this situation. For the respondent, negotiation and re-negotiation are often

required when an agreement is not achieved; re-negotiation often takes place, especially if the prospective university partner has world recognition.

In summary, the above discussion establishes that Indonesian parties are at liberty to enter into agreements they find beneficial. The actual ability or capacity to implement regulations that retain Indonesian control over the education sector is shown from the relationship that is based on mutually agreed objectives, and is shown from the willingness of Indonesian parties to accept agreements. The comments of Indonesian respondents show that they are able to negotiate before signing off on MoUs that will be beneficial for Indonesia, and they are not coerced into accepting any agreements. Negotiations include manoeuvring towards securing foreign financial assistance in education, as is discussed below.

8.4 American financial assistance in education

The stronger financial position of the US was another aspect of the Indonesia-US education relationship that the Indonesian respondents highlighted as an area of inequality. This type of inequality, as Abrahamsen suggests, provides donor countries with the power to threaten to withdraw aid from the less developed counterpart in the negotiation of agreements.⁵¹⁷ With regard to the US Indonesian education exchanges, a question arising is whether the threat of withdrawing financial aid was a bargaining tool in the negotiation of exchange agreement⁵¹⁸ This section first explores the hypothesis that American education financial assistance threatens the educational sovereignty

⁵¹⁷ Rita Abrahamsen, "The Power of Partnerships in Global Governance," *Third World Quarterly*, 25 (2004): 1453-1467.

⁵¹⁸ The US committed to invest \$165 million over five years in the education programmes with Indonesia, through educational exchanges from 2010, which has assisted Indonesia in the improvement of Indonesian education quality and infrastructure. See Cameron Hume, "Number of Indonesian students in US doubled," *Jakarta Post*, Friday 13 November 2009; The US made a commitment to grant Indonesia \$301 million for education, and environment and climate change development. See *Jakarta Post*, "US puts up \$301 million for partnership with RI," <http://thejakartapost.com>; US Embassy in Indonesia, "Ambassador Marciel's visit to eastern Indonesia," <http://www.jakarta.usembassy.gov>; USAID, "Fact Sheet: Higher Education Partnership with Indonesia," <http://www.indonesia.usaid.gov>.

of Indonesia. The counter-hypothesis, that American financial assistance is essential for the development of Indonesia and for its education, is also explored.

8.4.1 Hypothesis 5: American financial assistance in education threatens the education sovereignty of Indonesia.

This section begins by considering the argument by authors such as Crawford who maintain that the risk associated with receiving financial aid is that the attachment of conditions can be regarded as an infringement of Indonesia's sovereignty.⁵¹⁹ Crawford's argument illustrates that the threat to withdraw aid provides bargaining power in the negotiation of agreements. To examine whether the threat to withdraw aid by the US provides American bargaining power in the negotiation of agreements and thus weakens Indonesia's sovereignty, it is important to understand the history of the relationship between Indonesia and the US. To examine whether American financial assistance threatens the educational sovereignty of Indonesia requires, first, evidence of any obligatory and unwanted attachment of conditions to that assistance, and second, any limitations to the exercise of authority and autonomy over education within Indonesia's territorial boundaries.

To discuss whether American financial assistance threatens the educational sovereignty of Indonesia, one should understand the history of the relationship between Indonesia and the US in which the threat to withdraw aid by the US does not necessarily provide the US with bargaining power in the negotiation of agreements. Indonesia has welcomed foreign aid since the 1950s and the US was the main donor. It is necessary to note, even though Indonesia welcomed foreign aid, in the 1950s Indonesia accepted more loan

⁵¹⁹ Gordon Crawford, "Partnership or Power? Deconstructing the 'Partnership for Governance Reform' in Indonesia," *Third World Quarterly*, 24 (2003): 139-159; Rita Abrahamsen, "The Power of Partnerships in Global Governance," *Third World Quarterly*, 25 (2004): 1453-1467. Also see Donald Hindley, "Foreign Aid to Indonesia and its Political Implications," *Pacific Affairs*, 36 (1963): 107-119.

finance than grants because it did not want to align itself with the US (and the West).⁵²⁰ Indonesian nationalism and its independent and active foreign policy have enabled Indonesia to adopt policies to secure national interests as well as be free from any burdens that may arise as a consequence of the alignment with the US.⁵²¹ Although the US leadership in international affairs was strong in 1950s, in spite of the US threat to embargo Indonesia, Indonesia was able to gain economic assistance not only from the American aid but also from American compensation to Indonesia for the loss of export earnings caused by the US embargo.⁵²² In 1961, Indonesia, by balancing between the US and the Soviets, was able to gain both diplomatic support from the US in the Indonesia- Netherlands dispute over Western New Guinea, and military assistance from the Soviets. In negotiations with the US between 1961 and 1975, Indonesia was also assertive in its relations with the US and the West: Indonesia would neither commit itself to the Western block nor give the US a voice in any questions related to its domestic politics and foreign affairs.⁵²³ In spite of the US threat to ban military aid and training due to human rights abuses in East Timor, Indonesia was gradually able to gain military assistance from the US. From the brief discussion above, it is clear that the threat to withdraw financial assistance does not necessarily provide the US with bargaining power in the negotiation of agreements with Indonesia. What is more, the education relationship is beyond politics, thus there is no evidence that there is a threat to withdraw financial assistance based on political conditions attached to American aid. Moreover, any discrete threat or political conditions attached to American aid have the potential to provoke antagonism

⁵²⁰ Donald Hindley, "Foreign Aid to Indonesia and Its Political Implications," *Pacific Affairs*, 36 (1963): 107-119.

⁵²¹ See Timo Kivimaki, (1993).

⁵²² Ibid.

⁵²³ Ibid.

toward the US.⁵²⁴ In this light, it is likely that political conditions attached to financial assistance in education would also create antagonism toward the US.

It is important to distinguish between foreign financial assistance received through multilateral relationships, through international financial institutions such as the World Bank and IMF, and that received through bilateral relationships, such as through the Indonesia-US education bilateral relationship. Unlike assistance from the US, the World Bank and IMF provide loans which have not reduced poverty but rather have increased debt. As noted in chapter 5, Indonesia is one of the top ten World Bank borrowers. In 2011, Indonesia's debt reached US\$ 215.5 billion.⁵²⁵ By borrowing money from the World Bank, Indonesia would have increased debt. As a result, the World Bank's policy implications for Indonesia have kindled resistance among Indonesians.⁵²⁶ In contrast, USAID has not only assisted Indonesia with its governance strategy but it has also contributed financially to Indonesian education.⁵²⁷ In 2005, for example, the total USAID budget for Indonesia was \$102.8 million, with more than 10% of the total budget being for policy reform and training.⁵²⁸ The following respondent commented on the role of USAID in Indonesia:

Our aim is at helping and building capacity of local education, increasing the quality of education, increasing the quality of education planning and management, and helping educators to improve their teaching skills. We

⁵²⁴ See Timo Kivimaki, "US-Indonesian Negotiations over the Conditions of Aid, 1951-1954", in *Power and Negotiation*, ed. I.W. Zartman (Ann Arbor, MI: The University of Michigan Press, 2002).

⁵²⁵ See The World Bank, "Internal Debt Statistics 2013," last modified March 28, 2013, <http://www.data.worldbank.org/sites/default/files>. Also see Anti Debt Coalition, <http://www.kau.or.id>.

⁵²⁶ See KAU (Anti Debt Coalition), <http://www.kau.or.id>.

⁵²⁷ USAID Indonesia, "Indonesia-Democracy and Governance Assessment," <http://www.indonesia.usaid.gov>.

⁵²⁸ In Lena Kay, "Indonesian Public Perceptions of the US and their Implications for US Foreign Policy," *Issues and Insight*, 5 (2005): 3.

started university partnership in research and teaching in 2009. We do it through student exchanges. The other programme is higher education leadership and management in 2011. We helped DIKTI with technical support and local financial management. (*Indonesian official dealing with financial management in a US governmental agency (Respondent 6)*)

The respondent's experience illustrates the significant role of USAID in improving the quality of Indonesian education. In the Aceh polytechnic programme project, USAID was involved in the process of hiring teachers, and developing curriculum in accordance with Indonesian government regulations and industry needs in such areas as electronics engineering, information technology, and business accounting.⁵²⁹

The US places conditions on its assistance in education, based on the purpose of the US-Indonesia Comprehensive Partnership. It is a long-term commitment to elevating bilateral relations by enhancing cooperation and upgrading strategic consultations on key bilateral, regional, and global issues.⁵³⁰ In the education sector USAID's aims are: to support initiatives; to expand access to quality basic education; to improve the quality and relevance of higher education; to embrace the US-Indonesia comprehensive partnership; and, to recognise the leadership role Indonesia plays in its own development as well as development throughout the region.⁵³¹ Although democratisation and government reform and strategy are part of USAID's overall mission plan, USAID recognises the guiding principles of Indonesian authorities, both

⁵²⁹ USAID and Chevron contributed US\$12.3 million for these projects. See USAID Indonesia, "The Aceh Polytechnic Program – TAPP," http://www.indonesia.usaid.gov/en/usaaid/activity/233/The_Aceh_polytechnic_program_TAPP.

⁵³⁰ U.S. Department of State, "United States-Indonesia Comprehensive Partnership," <http://www.state.gov>.

⁵³¹ USAID Indonesia, "Education – Preparing Indonesian students for learning, work, and community," <http://www.indonesia.usaid.gov/en/programs/education>.

nationally and regionally. Hence, Indonesia retains authority and control over its education.

The extent to which foreign financial assistance may be seen as threatening Indonesia's educational sovereignty depends on the outcomes of negotiations. Indonesian education law comprises five sources: Pancasila, the 1945 constitution, customary law, laws enacted by the parliament, and presidential and ministerial regulations. The extent to which negotiations can effectively protect the educational sovereignty of Indonesia can be evaluated based on the adherence of transnational education transactions to these sources of Indonesian law.⁵³²

Indonesian customary law or *adat* law governs civil behaviour and civil law. Every region in Indonesia has its own local wisdom based on *adat*. To protect Indonesia's educational sovereignty means protecting Indonesian customs (*adat*). Whether or not financial assistance in education will undermine Indonesia's educational sovereignty depends on whether transnational education transactions acknowledge Indonesian customary law. Based on laws enacted by the parliament, local governments have the responsibility and authority for all sectors of development and governance in their own regions for except international affairs, the judiciary, defence, monetary and fiscal policies, and other domains subject to central government authority.⁵³³ Local government, therefore, is responsible for the observation and protection of local customary law. With regard to the Indonesia-US education relationship, USAID endeavours to work collaboratively and build the capacity of local institutions. USAID recognises the authority of Indonesia to control its national education and it cannot intervene in Indonesian national education, which is under the authority of *Direktorat Jendral Perguruan*

⁵³² The adherence of transnational education transactions to Pancasila and Constitution 1945 is discussed in chapter 9.

⁵³³ UNESCAP, "Country Report on Local Government Systems: Indonesia," <http://www.unescap.org>.

Tinggi (DIKTI) or the Directorate General of Higher Education. USAID also formulates and implements its policies in line with both the US mission strategy for Indonesia and education strategy set down in Washington, and with the Indonesian national education strategy. USAID also attempts to find ways to work closely with local institutions to build their capacity.⁵³⁴

Indonesian education law also includes *Tri Dharma Perguruan Tinggi* (Three pillars of higher education); these are: education, research, and community service. Any research and education programmes must be accompanied by character development objectives which benefit society.⁵³⁵ USAID and American education institutions have addressed Indonesia's industry needs in the fields of electronics engineering, information technology, and business accounting.

As indicated in the above discussion, USAID works together with Indonesia's central and local governments in such a way as to demonstrate mutuality in commitment and responsibility in the relationship. Recognition of Indonesia's authority and the leadership role Indonesia plays in its own development, arguably, play an important role in the acceptance of continuing cooperation with USAID.

In summary, Indonesia-US negotiations since 1950s show that the threat to withdraw aid by the US does not necessarily provide America with bargaining power in the negotiation of agreements. USAID has played an important role in Indonesia's education through its financial contribution. Based on the purpose of the US-Indonesia Comprehensive Partnership—which is a long-term commitment to elevate Indonesia-US bilateral relations—the US places conditions on the educational assistance it offers Indonesia. USAID also recognises the leadership role Indonesia plays in its own development, and

⁵³⁴ See <http://www.indonesia.usaid.gov>.

⁵³⁵ Mochtar Buchori and Abdul Malik, "The Evolution of Higher Education in Indonesia," *Asian Universities: Historical Perspectives and Contemporary Challenges*, eds. Phillip Albatch and Toru Umakoshi (Baltimore, MD: The John Hopkins University Press, 2004): 249-277.

that Indonesia has authority over its education. For these reasons, this research found no evidence to support hypothesis 5, that American financial assistance in education threatens the educational sovereignty of Indonesia.

8.4.2 Hypothesis 6: American financial assistance is essential for the development of Indonesia and for its education

American financial assistance has played an important role in Indonesia's development. Since gaining its independence, Indonesia has received financial assistance from foreign states, including the US. After independence, Indonesia had the enormous task of nation building. Nation building refers to activities or tasks in three broad categories: in the political (democratisation), economic (economic development), and social (unification of disparate ethnic groups) domains.⁵³⁶ Economic development in Indonesia was supported by aid from former communist countries, from non-aligned states such as Yugoslavia and India (from 1959-1961), and from the US (from 1951). The US has been the nation's primary donor, contributing \$7 million a year in technical assistance for 6 years, and providing \$91.8 million in loans for various development projects.⁵³⁷ Indonesia and the US first started working together in the 1950s when they signed their first economic and technical cooperation agreement. It aimed to address Indonesia's request of assistance to overcome food shortages, to solve critical health problems, and to rehabilitate the country's transportation facilities.⁵³⁸ Between 1949 and 1961, Indonesia received \$545 million from the US (\$113.6 million of which was in the form of loans), and over \$13 million was in Ford Foundation grants.⁵³⁹ Tasks in reforming education in Indonesia after independence included increasing the rates of literacy, improving the quality of education, improving the quality of education facilities, and increasing the rate of participation in education. The

⁵³⁶ Amitai Etzioni, "A Self-restrained Approach to Nation-building by Foreign Powers," *International Affairs*, 80 (2004): 1-17.

⁵³⁷ Hindley, (1963), 107-119.

⁵³⁸ USAID, "History," <http://www.usaid.gov/Indonesia/history>.

⁵³⁹ Ibid.

World Bank played a significant role as it advanced loans for building education institutions and for improving the quality of education facilities. In 2005, the World Bank granted a loan of US\$114,537,000 for the Relevance and Efficiency programme, a project in higher education.⁵⁴⁰ The US, too, has played a significant role in Indonesian education through; for example, improvements to education facilities and teacher training (see chapter 4 and chapter 5).

Indonesia has experienced economic reconstruction since the late 1960s and following the financial crisis in 1997-1998. From the 1950s onwards, USAID, together with the Ford, Carnegie, and Rockefeller foundations, sponsored Indonesian students studying in the US.⁵⁴¹ When Indonesia experienced financial turmoil in the late 1960s, Indonesians who had graduated from American universities and who were cabinet ministers during the leadership of President Suharto, for example, Widjoyo Nitisastro, Ali Wardhana, J.B. Sumarlin, and Emil Salim, successfully implemented economic policies for Indonesia's recovery. During the Suharto era, education focused on economic returns, and the government was able to both dominate and direct education institutions. Education attainment was regarded as one of the critical components in state and nation building and resilience, because it enabled people to improve their economic status, and hence address the issues of poverty and illiteracy.⁵⁴² The role of education in economic development, both during and since the Suharto era, has been closely linked through government policy to the needs of the economy. Currently, Vice-president Boediono emphasises the role of education, from basic to post-secondary education levels, in Indonesia's development.⁵⁴³ For Boediono, the

⁵⁴⁰ The World Bank, "Higher Education for Relevance and Efficiency," <http://www.web.worldbank.org>.

⁵⁴¹ Yashui Shin, "The Role of US-trained Economists in Economic Liberalization: The Cases of Chile and Indonesia," *Globalization and Transformation of Governance*. (2003):71-94.

⁵⁴² It is discussed in chapter 4.

⁵⁴³ In *Kompas*, "Education as the Key to Development," August 27, 2012.

development of the country depends on a strong Indonesian economy, and secure and stable government to ensure the needed achievement, with education playing a significant role by creating competent and skilled human capital.

American technical and financial assistance has played an important role in Indonesia's development. The following comment captures this point:

USAID as an education agency also has a worldwide education strategy. Part of that is higher education, increasing the capability of the workforce in all the countries we work in, in order to meet the development needs of the country. So it's broken down into USAID's focus on helping to increase the relevance and quality of higher education. USAID in Indonesia has programmes on that which is/are different to the scholarship programmes. That's because part of our higher education programme is increasing access for underserved communities to higher education opportunities. (*American respondent working in a US governmental agency (Respondent 17)*)

Through USAID, the US support for increasing the quality of education comes not only through improving education infrastructure, but also through training for educators and increasing access to higher education opportunities for the wider communities.⁵⁴⁴ The following respondent commented on the role of USAID:

Support from the government of America for higher education is only for giving technical assistance for the DIKTI (Directorate General of Higher Education) for increasing management capacity and leadership. We are aimed at helping and building the capacity of local

⁵⁴⁴ USAID, <http://www.usaid.govt/Indonesia>.

education, increasing the quality of education, increasing the quality of education planning and management, and helping educators to improve their teaching skills....In 2011 we helped DIKTI with technical support, and local financial management. (*Indonesian official working in a US governmental agency (Respondent 6)*)

The above respondent observed that the support from the US is limited to giving technical assistance, enhancing cooperation at the higher education level, improving the quality of education, aiding educators to enhance their teaching skills, and building the capacity of local education establishments.⁵⁴⁵

Through SERASI (relief and development) project, USAID provides grants to support activities that expand access to quality education services in remote areas.⁵⁴⁶ USAID has also sponsored cluster-based in-service training, training in education performance assessment, training in the use of information and communication technology, partnerships for enhanced engagement in research (PEER), and programmes to extend scholarships and training to achieve sustainable impacts (PRESTASI). This outreach prompted Teuku Rezasyah, University of Padjajaran's international relations specialist, to state that under the Obama administration, the US is generous.⁵⁴⁷ USAID has also encouraged several companies, such as Exxon Mobil, Intel, Anchora, and Conoco Phillips, to develop Public-Private partnerships. USAID, together with Chevron, has supported Indonesia by providing scholarships for youth for vocational education courses that are perceived by Indonesian authorities as offering what is needed for the economy.⁵⁴⁸ Courses included are automotive

⁵⁴⁵ Also see USAID Indonesia, <http://Indonesia.usaid.gov>.

⁵⁴⁶ USAID, "About SERASI," last modified May 20, 2013, <http://www.serasi-ird.org/index.php>.

⁵⁴⁷ In *Jakarta Post*, "US puts up \$300 m for 'partnership' with RI," <http://www.thejakartapost.com/news/2010>.

⁵⁴⁸ <http://www.usinfo.state.gov>.

engineering, electronics, building and construction, electrical wiring, welding, and computer applications.

Indonesia's efforts, since independence, to produce a highly skilled population, and the role of the World Bank and international agencies, show the relevance of Carnoy's argument, outlined in chapter 2, that as former colonies become independent from the European colonial powers, they have to catch up with European levels of development and this progress is contingent upon producing a highly skilled workforce, and for which appropriate financing is essential. Etzioni argues most of the elements of economic development (expeditious transportation of resources and goods, effective knowledge, secure supplies of power, a highly educated population, a high level of innovative capacity, supportive legal and financial institutions, and the accumulation of capital and capital goods) need to be present.⁵⁴⁹ The less developed states are still catching up with Western levels of development, and not all the elements of economic development are present. As such, the less developed states still require foreign involvement in the form of importing foreign education in order to gain depth of knowledge, and to create a highly educated population.

The extent to which American financial assistance furthers Indonesia's development will depend on the extent to which the outcome of negotiations with the US benefits Indonesia. As noted earlier, Indonesian respondents were not coerced into accepting financial assistance from the US, but, rather, entered into agreements they found beneficial. According to these respondents, there were no political stipulations made or implied in return for the assistance. To most Indonesian respondents, as noted earlier, the relationship with the US, in education, was beneficial for Indonesia as seen in the win-win climate of the negotiations in which Indonesian negotiators made independent decisions in the negotiations.

⁵⁴⁹ Ibid, 27.

Working together in the relationship was perceived by the Indonesian respondents as a feature of an equal relationship. Both Indonesia and the US worked together toward the Millennium Development Goals (MDGs) and the goal of Indonesia-US Comprehensive Partnership, and regarded both these goals as advantageous.⁵⁵⁰

The ultimate aim of the partnership is to improve understanding between two countries, and to increase human resources capital for achieving Millennium Development Goals. *(Indonesian official dealing with financial management in a US governmental agency (Respondent 6))*

Respondent 6 clearly indicated that the Indonesia-US education relationship is not only for improving understanding between Indonesia and the US, but also for increasing human capital for realising Millennium Development Goals (MDGs). In September 2006, Indonesia signed the Millennium Declaration at the United Nations Millennium Summit in New York. Education is the cornerstone for achieving the goals.⁵⁵¹ UNESCO outlines the importance of education in equipping people with the knowledge and skills they need to increase income and expand employment skills, and thus realise the first goal, which is to eradicate extreme poverty and hunger.⁵⁵² Anwar has argued that educational exchanges and foreign educational assistance are necessary for development, as they enable people to use educational attainment to improve their economic status, thereby helping to address the problems of poverty, illiteracy, and low education attainment that

⁵⁵⁰ See USAID, "SERASI- Education," <http://www.indonesia.usaid.gov/en>.

⁵⁵¹ UNDP, "Millennium Development Goals", <http://www.undp.or.id>.

⁵⁵² See UNESCO website for further goals. UNESCO, "Millennium Development Programmes," <http://www.unesco.org/new/en/education>.

have trapped millions in Asia in a vicious cycle of misery and despair.⁵⁵³ Education, according to UNDP, also plays important roles in realising other goals, such as reducing child mortality; eradicating HIV, malaria, and other diseases; and, ensuring environmental sustainability. For UNESCO, these goals will be achieved by equipping students with the proper knowledge and skills. USAID has assisted Indonesia in training educators, another element which is necessary for achieving the above goals. As the following respondent stated:

We change the way the teachers teach, the students learn, and change the learning environment to an environment conducive for learning, promoting participation in learning, strengthening leadership, and we help them to plan to achieve the overall goals. (*Indonesian official dealing with financial management in a US governmental agency (Respondent 6)*)

USAID has strengthened teaching and learning processes, which has in turn contributed to improved student learning.⁵⁵⁴ For the respondent, teaching educators, changing the learning environment to one that is conducive to learning, promoting participation in learning, and strengthening leadership, all help Indonesia to achieve Millennium Development Goals (MDGs).

Although American financial assistance has played a role in Indonesia's development and education, most Indonesian respondents did not make any comments on the importance of American financial assistance in Indonesia's development and education. Rather, most Indonesian respondents, as noted in chapter 7, carefully asserted that Indonesia is not financially dependent on the US. What is more, as also noted in chapter 6 and earlier in this chapter,

⁵⁵³ See chapter 2. Dewi Fortuna Anwar, "Human Security: An Intractable Problem in Asia," *Asian Security Order: Instrumental and Normative Features*, ed. Muthiah Alagappa (Stanford, CA: Stanford University Press, 2003).

⁵⁵⁴ Nisha Biswal, "New Teaching Methods and Resources Transform Indonesian Schools," *USAID*, <http://blog.usaid.gov/2011>.

Indonesian respondents wanted the dignity of being treated as equals, in spite of the significant financial contributions the US has made to Indonesian education. The US response of working together with Indonesia, certainly aided Indonesians' acceptance and willingness to cooperate with the US.

In summary, American financial assistance can be, and has been, an instrument for Indonesia's development, if both American and Indonesian parties work together toward their shared goals. When both parties work together, any assertion that the American parties might be exploiting the Indonesian parties becomes irrelevant. An equal relationship is characterised by goal sharing between the parties involved in the relationship. Both the US and Indonesia have worked together as equal partners in spite of the financial resources contributed by the US being much greater than those of Indonesia. Importantly, the US recognises and respects Indonesia's regulations, and this recognition can be taken as a sign of respect for Indonesia's equal position in the relationship. What is more, education is beyond politics and thus there is no political attachment to the assistance. For the above reasons, hypothesis 6, American financial assistance is an instrument for the development of Indonesia and for its education, is confirmed by the findings of this research.

8.5 Concluding remarks

This chapter has discussed the importance of equality in the relationship between Indonesia and the US, from the perspective of the Indonesian respondents. Interest in the topic of equality arose from the respondents themselves, especially the Indonesian respondents. Being equal enables the parties to make decisions independently, and also to refuse what would not be in Indonesia's own best interests. The ability to choose to refuse or freely accept foreign involvement in education, and the ability to make decisions independently are defining features of educational sovereignty. Equality in the relationship is regarded by the Indonesian parties dealing with

curricula as important because Indonesian culture is acknowledged and accepted in the relationship and in the curriculum design and development. In the Indonesia-US education relationship, this equality has proved important in the maintenance of Indonesia's sovereignty in education.

The extent to which Indonesia's educational sovereignty is undermined by American education providers can be evaluated based on the extent to which the government commits to an investment in public higher education, and restricts transnational education to the mode that is beneficial for Indonesia. The government is able to commit to an investment in public higher education. The Indonesian government also has the capacity to regulate the modes of education delivery not only between state actors but also between non-state actors and between state and non-state actors. When the government is able to restrict transnational education modes by committing only to those modes which benefit Indonesia, the argument that foreign education providers weaken Indonesia's ability to regulate education within its borders is not supported. For these reasons, hypothesis 3, the provision of American education programmes in Indonesia undermines Indonesian educational sovereignty, is not confirmed.

Indonesian parties are at liberty to enter into agreements they find beneficial. The actual ability or capacity to implement regulations that retain Indonesian control over the education sector is shown from the relationship that is based on mutually agreed objectives, and is shown from the willingness of Indonesian parties to accept agreements. The comments of Indonesian respondents show that they are able to negotiate before signing off on MoUs that will be beneficial for Indonesia, and they are not coerced into accepting any agreements. The need to challenge the arbitrary authority of power structures to determine the essence of individuals' educational experience is also indicated by some Indonesian respondents. For the above reasons, hypothesis 4, American education providers operate within the terms of

negotiated exchange agreements and do not undermine or weaken the educational sovereignty of Indonesia, is then not confirmed.

USAID has played an important role in Indonesia's education through its financial contribution. Based on the purpose of the US-Indonesia Comprehensive Partnership—which is a long-term commitment to elevate Indonesia-US bilateral relations—the US places conditions on the educational assistance it offers Indonesia. USAID also recognises the leadership role Indonesia plays in its own development, and that Indonesia has authority over its education. There is no evidence that American financial assistance in education represents a threat to the educational sovereignty of Indonesia. Both the US and Indonesia have worked together as equal partners, in spite of the financial resources contributed by the US being much greater than those of Indonesia. Importantly, the US recognises and respects Indonesia's regulations.

Indonesian respondents sought to be treated equally, and although the US made significant financial contributions to Indonesian education, the US worked with Indonesia in realising Indonesia's development goals. Working together in the relationship is indeed perceived by the Indonesian respondents as a feature of an equal relationship.

Given the evidence presented here that the US and Indonesia work together as equal partners in spite of the financial resources contributed by the US being much greater than those of Indonesia, hypothesis 5, American financial assistance in education threatens the educational sovereignty of Indonesia, is not supported. However, because US financial assistance can be, and has been, an instrument for Indonesia's development, and because education is beyond politics, there is no political attachment to the assistance. For the above reasons, hypothesis 6, American financial assistance is an instrument for the development of Indonesia and for its education, is confirmed by the findings of this research.

It is necessary to note that there are matters which are not stated in the hypotheses but are evident from the responses. One is that the perceived equality plays a significant role in the maintenance of educational sovereignty. Equality was perceived by the Indonesian respondents to be an acknowledgement of each other as equals and as partners. Equality was also illustrated in the form of mutuality in contributions, benefits, responsibility, and commitment. This perception of equality clearly influenced the behaviour and understanding of Indonesian respondents. Cooperation in education that does not acknowledge equality would impede successful cooperation with Indonesia.

CHAPTER IX

INDONESIAN IDENTITY AND CULTURAL VALUES

9.1 Introduction

One of the four noteworthy themes emerging from the interviews outlined in chapter 6 was the concern that, “our identity and cultural values must not disappear”. This chapter examines the extent to which Indonesia is able to preserve its identity and cultural values. For this purpose, four hypotheses (hypotheses 7-10) were derived from the literature as outlined in chapter two. The following hypotheses provide the parameters for the examination.

1. **Hypotheses 7:** Having American provided education in Indonesia will lead to the homogenisation of the Indonesian education curriculum, through the transfer of American culture and values;⁵⁵⁵
2. **Hypothesis 8:** Through the exercise of educational sovereignty, the Indonesian government retains sufficient control over its national education curriculum such that it is not subject to homogenisation;
3. **Hypothesis 9:** The creation of hybrid education programmes diminishes Indonesia’s educational sovereignty;
4. **Hypothesis 10:** The creation of hybrid education programmes does not diminish the Indonesian government’s ability to maintain its culture and values.

This chapter begins with an outline of Indonesia’s identity and cultural values (Section 9.2). Section 9.3 examines and discusses whether foreign education, in particular American education, poses a threat of homogenisation

⁵⁵⁵ The term Americanisation refers to the transfer of influences, such as cultural values and American liberal democracy, generated through cultural contact with America (see chapter 2). This thesis uses the term homogenisation and Americanisation interchangeably.

to the Indonesian national education curriculum. Section 9.4 identifies the extent to which Indonesia's educational sovereignty is diminished by the forces of hybridisation. Concluding remarks are presented in section 9.5.

9.2 Indonesia's identity and cultural values, and education

As discussed in chapter 6, Indonesian respondents asserted the importance of preserving Indonesian cultural values. This section is aimed at briefly discussing the features of Indonesian culture and their influence on Indonesian education. First, this section outlines Indonesia's identity and cultural values. Secondly, the influences of Indonesia's identity and cultural values on education are outlined.

9.2.1 Indonesia's identity and cultural values

Indonesian culture has been formed by long interactions between the original indigenous culture (including tribal groups), and various foreign influences such as those from the Middle East, South Asia, and East Asia. These foreign cultures were strongly influenced by religions. The arrival of Buddhism in Indonesia began with the trading activity between Indonesia and India. The combination of Buddhism and original indigenous Indonesian beliefs can be found in *Bodha* belief among the *Sasak* ethnic group. The influence of Buddhism and Hinduism can also be found in Javanese literature and arts.

The arrival of Hinduism also happened because of the trading activity between Indonesia and India. In addition to being found in Javanese literature and culture, the influence of Hinduism is also seen in Balinese dances. Hinduism was combined with Animism, Buddhism, and Islam. The combination of Hinduism and Animism can be found in *Kaharingan* belief among the *Dayak* ethnic group.

Islam, however, has been the dominant religion in Indonesia. One distinctive influence of Islam has been the adaptation of *musyawarah*

(deliberation) and *mufakat* (consensus). Indonesian former foreign minister, Subiandro, stated that *mufakat* means searching for “almagamation of the most acceptable views of each and every member, in which all parties have power over each other”.⁵⁵⁶ *Musyawarah* means,

a leader should not act arbitrarily or impose his own will, but rather make gentle suggestions of the path a community should follow, being careful always to consult all other participants fully and to take their views and feelings before delivering his synthesis conclusion.⁵⁵⁷

In the negotiation process, *musyawarah* and *mufakat* take place, “not as between opponents but as between friends and brothers”.⁵⁵⁸ Cooperation is characterised by the conception and exercise of consensus. The terms *musyawarah* and *mufakat* are clearly stated in Pancasila: ‘people led or governed by wise policies arrived at through a process of consultation and consensus’. A combination of Hinduism and Islam occurred and can be found in unorthodox Islamic belief, or the *Abangan*, among the Javanese ethnic groups.

The arrival of the first Europeans, the Portuguese, in the Indonesian archipelago marked the arrival of Christianity. There are substantial Christian populations in Indonesia, such as in North Sumatra, West Kalimantan, North Sulawesi, Tanah Toraja, Maluku, and West Papua. The influence of the Portuguese, nevertheless, was subsequently displaced following the arrival of the Dutch. The influences of the West (including the US) have impacted on the political system, legal system, science, and technology.

In summary, multiple foreign influences have helped to form

⁵⁵⁶ In Amitav Acharya, “Culture, Security, and Multilateralism: The “ASEAN way” and Regional Order, in *Culture and Security: Multilateralism Arms Control and Security Building*, eds. Keith Krause (NY: Frank Cass Publisher, 1999), 22

⁵⁵⁷ Herbert Feith, *The Decline of Constitutional Democracy in Indonesia* (Ithaca, NY: Cornell University Press, 1962),40.

⁵⁵⁸ Acharya, (1999), 22.

Indonesian culture, particularly foreign cultures that were strongly influenced by religion. The process of these incoming religions interacting with indigenous values eventually developed a hybridised culture in which indigenous values survive. This hybrid form of culture is evident in Indonesian education practices (see below).

9.2.2 The influence of cultural values on Indonesian education

Culture constitutes shared patterns of learned behaviours and interactions, to which individuals are exposed and bound by virtue of living within the culture. Putera and Brill have identified strong traditionalism, a deep sense of collectivity, hierarchy, communalism, and syncretistic attitudes as the basic features of Indonesian culture since the earliest period of Indonesian history.⁵⁵⁹ The influence of Hinduism has been to strengthen collectivism, in which “the basic unit of survival is a group”.⁵⁶⁰ In a collectivist culture, people tend to think of themselves as ‘we’, and think not only of their immediate family but also of their extended family.⁵⁶¹ When Indonesians study overseas, it is not surprising that adjusting to life in Western society is not easy. As this respondent said:

Sometimes Indonesian exchange students get frustrated and one lecturer attempted suicide. She was sad because she was so lonely. (*Former Indonesian rector who negotiated MoUs (Respondent 7)*).

The above comment illustrates how support from others is very

⁵⁵⁹ Eka Darma Putera and E.J. Brill, *Pancasila and the Search for Identity and Modernity in Indonesian Society* (Leiden: The Netherlands, 1988).

⁵⁶⁰ Robin Goodwin and Sophie Giles, “Social Support Provision and Cultural Values in Indonesia and Britain,” *Journal of Cross-cultural Psychology*, 34(2003):240-245.

⁵⁶¹ HC Triandis, *Culture and Social Behaviour* (NY: McGraw, 1994); HC Triandis, R Bontempo, H Bettancourt, M Bond, K Leung, and A Brenes, “The measurement of ethnic aspects of individualism and collectivism across cultures,” *Australian Journal of Psychology*, 38(1986): 257-267; Robin Goodwin and Sophie Giles, (2003).

important, particularly in offering a safeguard against life's stresses.⁵⁶² The respondent reflects on the consequences of loneliness when living abroad. Similarly, Giles and Goodwin, in their study, argue that in a collectivist society the basic unit of survival is the group and thus support from others is very important in this society.⁵⁶³

As noted above, one distinctive influence of Islam has been the incorporation of *musyawarah* (deliberation) and *mufakat* (consensus) that are enshrined in Pancasila. In the educational setting, *musyawarah* and *mufakat* are taught in civic education. Indigenous cultural values are also evident in Indonesian education. The Javanese make up the largest ethnic group in Indonesian society, approximately 45% of the population, and many cultural aspects originating from the Javanese are typically found in education. The Javanese, for instance, hold to the principle of avoiding conflict. *Rukun* is a Javanese term meaning to avoid conflict through a willingness to compromise in order to achieve harmony in all relationships, including relationships among students and teachers. For the Javanese, to achieve harmony, one should have *ewuh pekewuh*, or uneasiness for controversy and conflict. *Ewuh pekewuh*, discourages students from discussing any sensitive issues openly. The Javanese also have a principle of obedience or *manut lan miturut*. In the education setting, the principle of obedience is shown by refraining from direct eye contact when speaking with a teacher. Students should keep their heads down with their chin low to show obedience and respect.⁵⁶⁴ The teacher is seen to be a moral authority, and students expect a teacher to know everything,⁵⁶⁵ which

⁵⁶² B. Muslim, Nia Nafisah, and Ika Damayanti, "Locality and Self-identity: Local Story Inclusion in Indonesian English Text Books," University of Indonesia, 2009. Also see Triandis, Bontempo, Bettancourt, Bond, Leung, and Brenes, (1986); Goodwin and Giles, (2003).

⁵⁶³ Robin Goodwin and Sophie Giles, (2003).

⁵⁶⁴ Brett Noel, Ann Shoemake, and Claudia Hale, "Conflict Resolution in a Non-western Context: Conversations with Indonesian Scholars and Practitioners," *Conflict Resolution Quarterly*, 23 (2006): 427-446.

⁵⁶⁵ Fred Jandt, *Intercultural Communication: An Introduction* (London: Sage Publications, 2001).

discourages students from being independent learners and critical thinkers.

In summary, the Indonesian education system is culturally bound and has given guidance as to how people should live and act. Indonesia's collectivist culture originates from the influence of Hinduism (carrying out an obligation and duty through *gotong royong*), Islam (the tradition of *musyawarah* and *mufakat*), and the indigenous people groups (family and group oriented for individual security; dependence on teachers' knowledge; and, avoiding conflict for achieving harmony). In Indonesian education, there are obligations as students and educators, duties (through *gotong royong*), tradition (*musyawarah* and *mufakat*), dependence on teachers' knowledge, avoiding conflict for achieving harmony, and obedience to authorities, such as educators.⁵⁶⁶

Foreign influence through education has been viewed by some respondents (see chapter 6) as a threat to Indonesian cultural identity. Where Indonesia interacts with foreign education, the question arises as to whether Indonesia's culturally bound education can be preserved. This question is addressed in the following section.

9.3. The Indonesia-US education relationship and homogenisation processes

As discussed in chapter 2, the terms Westernisation, Americanisation, and homogenisation feature prominently in discussions surrounding transnational education. Tomlinson has used homogenisation and Westernisation synonymously.⁵⁶⁷ Rizvi and Lingard have used the term Americanisation synonymously with homogenisation.⁵⁶⁸ This thesis, as mentioned in chapter 2, uses the terms homogenisation and Americanisation

⁵⁶⁶ Triandis, (1994).

⁵⁶⁷ John Tomlinson, "Cultural Globalisation: Placing and Displacing the West," *European Journal of Development Research*, 8 (1996):22-35.

⁵⁶⁸ Bob Lingard and Fazal Rizvi, "Globalisation and the Fear of Homogenisation in Education," *Change: Transformation in Education*, 1(1998): 62-71.

interchangeably. As outlined in chapter 2, homogenisation in this thesis refers to both the transfer of American values as a result of contact with Americans, and a purposeful attempt on the part of the US to transfer American values.

9.3.1 Hypothesis 7: Having American provided education in Indonesia leads to homogenisation of education through the transfer of American culture and values

Since independence, Indonesia has adopted some aspects of American higher education, such as the credit hour system. After independence, the Dutch model of higher education was replaced by the Anglo-American higher education structure, because the former was regarded by the government as unsuitable: i.e. unstructured, resulting in low productivity, and lengthy periods of study.⁵⁶⁹ In the 1950s, Indonesia built a relationship in education with the US. Through USAID and the Ford Foundation, university to university cooperation was initiated. In 1953, there was a shortage of textbooks for teacher training due to the lack of expertise of Indonesians in writing textbooks.⁵⁷⁰ USAID responded to this need by supplying textbooks and teaching aids for teacher training. An important corollary of the role of USAID and the Ford Foundation in facilitating university to university cooperation, and in supplying Indonesia with teaching aids and materials, was the influence of American scholarly literature in Indonesian higher education, and the adoption of the American credit hour system. In 1955, only six years after independence, the government of Indonesia started to adopt the American credit hour system. By 1974 the American credit hour system was fully institutionalised and, since 1989, all universities in Indonesia have used it (see chapter 4). Nonetheless, restrictions in student subject choices and government regulations which do not allow credit transfer among institutions and faculties have weakened the effectiveness of the adoption of the credit hour system and

⁵⁶⁹ Buchori and Malik, (2004).

⁵⁷⁰ Francis Eugene Mooney, "Some Highlights of the Development of Secondary and Teacher Education in Indonesia," *Peabody Journal of Education*, 40 (1962):137-141.

other aspects of the American tertiary education system in Indonesia. For Regel, the adoption of foreign education in less developed states can be effective, if their higher education systems share similar organisational goals, such as high amounts of flexibility, curricula choice, interfaculty and inter-institutional transfer.⁵⁷¹

Some Indonesian respondents acknowledge that American academic patterns are sometimes imitated and modelled. Examples of such comments follow:

It [American education system] is very clear, and very systematic. It is easy to follow. Perhaps Indonesian education is following American education, but it is very clear. They [Americans] have the credit system which is the same as our credit system. Or we have the same credit system as they do. They have four years of study which we can understand because we have the four years of study scheme over here. *(Indonesian dean of an Indonesian private education institution (Respondent 14))*

I think American education is straightforward in terms of the structure, unlike education in Asia. *(Indonesian government official (Respondent 5))*

The system of American education is clearly esteemed by most Indonesian respondents. At the post-secondary education level, clarity and systemisation are perceived as the benefits of the American academic model. To the above respondent, the organisation of the teaching process, and the American ways of structuring the organisation and delivery of higher education have much to offer Indonesia.

⁵⁷¹ Ompron Regel, "The Academic Credit System in Higher Education: Effectiveness and Relevance in Higher Education," *Education and Employment Division*, July 1992.

The following experience of one American respondent illustrates that Indonesian negotiators willingly adopt American academic patterns:

The administrators I met from the universities in Indonesia wanted to have more contact with American universities so they could learn how to structure their universities, how to set up research programmes, how to develop different kinds of degrees particularly in business and engineering. There was a lot of interest in learning how to have a programme accredited so it is officially acceptable in the world. So all of these things are what the United States can bring to Indonesia. (*Vice president for research and strategic partnership (Respondent 15)*)

The above respondent indicated the willingness and interest of Indonesian university administrators in adapting the American ways of structuring education organisation. This raises the question: Does adopting these organisational approaches play a significant role in homogenisation processes? Although the organisation of teaching processes and the American ways of structuring the organisation and delivery of higher education are regarded as having improved Indonesia's capacity to deliver post-secondary education level courses, all international students in Indonesia are also required to learn *Bahasa* Indonesia as it is the language of instruction.⁵⁷² Throughout the sponsored education programmes of USAID, *Bahasa* Indonesia is used as the language of instruction. Whether this factor is sufficient to avoid homogenisation, remains open to question.

Siqueira, Verger, Bonal, and Pennycook have articulated their concerns about the possible threat to indigenous cultural values from the WTO General Agreement on Trade in Services (GATS). The crux of their argument is that

⁵⁷² Sri Soejatmiah, "Internationalisation of Indonesian Higher Education: A Study from the Periphery," *Asian Social Science Journal*, 5 (2009): 70-78.

GATS regulations, which address Most Favoured Nations and National Treatment, forbid different treatment for national and foreign education providers, without regard to whether the foreign education providers develop courses that include the local language and cultural values.⁵⁷³ In addition, many previously colonised state governments are still struggling to develop educational curricula suited to their cultures and histories, and thus transnationalism in education is seen as facilitating the demise of indigenous cultures.

The English language is nonetheless introduced in the Indonesian education curriculum. Folk tales and local stories are included in the teaching of English as they are regarded as necessary both to preserve Indonesian cultural values and to prepare individuals for playing active roles in global competition.⁵⁷⁴ English is also used as the language of instruction in professional development workshops involving foreign experts. The following respondent commented:

Language is the barrier for the dual degree programme. We have English language programmes on our agenda but they have not developed. For dual degree programmes, when we want to send our students through USINTEC, they need to have English language skills and that's our weakness. The workshops are excellent; very practical, not only theoretical. Unfortunately, language is the barrier. Everything is interpreted. (*Indonesian chair of international cooperation (Respondent 18)*)

⁵⁷³ Angela Siqueira, "The Regulation of Education through the WTO/GATS," *Journal for Critical Education Policy Studies*, 3 (2005): 1-16; Anthony Verger and Xavier Bonal, "Against GATS: The Sense of a Global Struggle," *Journal for Critical Education Policy Studies*, 4 (2006): 1-27.

⁵⁷⁴ Muslim, Nafisah, and Damayanti, (2009).

The respondent clearly valued education collaboration with the US, and the comment illustrates that English language instruction is desirable in some circumstances, such as for professional development. The need for English, however, had been an impediment to such collaboration, particularly the dual degree programmes which require students to have fluency in both *bahasa* Indonesia and English. Although the government has emphasised the need to learn English in order to be able to get access to international communication networks,⁵⁷⁵ the government of Indonesia has also developed a language training centre with a focus on training Indonesian educators and researchers in English. The government of America simultaneously established the largest English Language Fellow Program in Indonesia which certainly helped to increase the number of Indonesians learning English.⁵⁷⁶

It is important to acknowledge, however, that Indonesian negotiators and those involved in the education exchange are cognisant of the loss of cultural values and identity. Foreign (particularly Western) influence through education is viewed by some respondents as a threat to Indonesian cultural values. The following respondent, in particular, commented that Indonesian cultural values have changed:

We are now too open and vulgar. These are not Indonesian cultural values but foreign values. Indonesians now are becoming self-centred, too open and vulgar. A long time ago we would not make any vulgar comments. (*Indonesian vice rector negotiating and administering MoUs (Respondent 2)*)

⁵⁷⁵ Nikolaus Passasung, "Teaching English in an 'Acquisition Poor Environment': An Ethnographic Example of a Remote Indonesian EFL Classroom," (PhD Thesis, University of Sydney, 2003).

⁵⁷⁶ Embassy of the United States, "Language Fellow Program," last modified September 5, 2013, <http://Jakarta.usembassy.gov/fellow.html> (2013).

Like other Indonesian respondents, the above respondent is aware of the impact of foreign influences on Indonesian cultural values. One of the interesting points to emerge from the research is the assuredness and confidence of the Indonesians of being able to preserve cultural values through education (see below) and the supportive, affirming responses from the Americans. The efforts of the US government to increase the numbers of Americans learning Indonesian language and culture (see chapter 5), and the American respondents' desire to grow in their understanding of Indonesian culture (see chapter 6 and chapter 7) all support the view that Indonesian culture is respected and preserved.

In summary, historically, Indonesia has been willing to adopt American education and the US has fulfilled a substantial number of the education needs of Indonesia. Immediately after Indonesia's independence, USAID responded to Indonesia's education need by supplying text books and teaching aids for teacher training. The US has also established the largest English Language Fellow Program in Indonesia which addresses the needs of Indonesia by increasing the capacity of Indonesians to learn English. Accordingly, there would be some influence on Indonesian education, such as the influence of American scholarly literature in Indonesian higher education, and the establishment of Indonesia's system of higher education, based on some aspects of the US system. Yet, to argue that an education relationship with the US equates to the homogenisation of the curriculum in Indonesia, based on the above influences, is challenged in the Indonesian context. There is ample evidence to suggest that Indonesia retains control over its education curriculum and is not subject to homogenisation, as discussed next.

9.3.2 Hypotheses 8: Through the exercise of educational sovereignty, the Indonesian government retains sufficient control over its national education curriculum such as that it is not subject to homogenisation.

After years of colonialism, Indonesia gained its independence from the Netherlands in 1945, and a new constitution was implemented. The unification of a culturally diverse nation was crucial, and the Indonesian national language was considered essential in the unification process. The unification of cultural diversity, however, was not easy, as many Indonesians were illiterate in the Indonesian national language, *bahasa* Indonesia. By 1980, however, 61.4% were literate,⁵⁷⁷ and, according to the 1990 census, over 80% of Indonesians above the age of five were literate in the Indonesian national language.⁵⁷⁸

In spite of its active participation in transnational education, Indonesia maintains Pancasila, the Constitution 1945 (UUD 1945), and religion as the foundation of its education and to prevent the loss of Indonesian identity and cultural values. Even though the Indonesian National Education Law of 2003 authorises transnational education within Indonesian territory, foreign education institutions need to follow the Indonesian curriculum in Indonesia, and may not interfere with Indonesian national education because it is under the authority of the Directorate General of Higher Education. In spite of the flow of education across borders, *bahasa* Indonesia is the language of instruction, and religion is compulsory in the Indonesian education curriculum.⁵⁷⁹ The following respondents also confirmed that religion is a compulsory subject.

They [foreign students] need to follow our curriculum if they are in Indonesia, especially

⁵⁷⁷ In Merle Ricklefs, "The Future of Indonesia," *History Today*, September 28, 2013. <http://www.historytoday.com>.

⁵⁷⁸ Ibid.

⁵⁷⁹ Directorate General of Higher Education, "National Education Law 2003," <http://www.inherent-dikti.net>.

religion. Religion is the main and compulsory subject in our curriculum. (*Indonesian government official (Respondent 8)*)

Religion is compulsory, yes. But we call it religious study. It is not religion as religion. (*An Indonesian dean dealing with MoUs, (Respondent 14)*)

Both comments show that religion is a compulsory subject in the Indonesian education curriculum. There are five official religions in Indonesia: Islam, Christianity, Catholicism, Hinduism, and Buddhism.⁵⁸⁰ Students are required to study their religions. Religion is emphasised in the curriculum because religion, as noted earlier in this chapter, is part of Indonesian cultural identity. In this context, the inclusion of religion as a compulsory subject is a way of maintaining control over the curriculum to sustain Indonesian culture.

Cooperation is conditioned by culturally informed perception. Indonesian culture has been formed by long interactions between the original indigenous culture and various foreign elements that were strongly influenced by religion. Individuals are exposed and bound by religions within the culture. Religion is part of Indonesian cultural identity. When the mode of transnational education involves Indonesia's territory, such as mode 3 (Commercial Presence) and mode 4 (the Presence of Natural Persons), any collaboration and education transaction, therefore, includes religion as a compulsory subject.⁵⁸¹ The following respondent also stated:

...students know Pancasila but if they have no religion, that is ridiculous. That's not competent. With the changes of curriculum, the subjects of national curriculum are religion, Pancasila,

⁵⁸⁰ Catholicism is not treated as a branch of Christianity.

⁵⁸¹ As outlined in Indonesian national education law number 20/2003 chapter 18. See Indonesian Ministry of People's Welfare, <http://www.menkokesra.go.id>.

bahasa Indonesia, citizenship, math, statistics, and logical thinking. The subjects are [now] more comprehensive and competitive. (*Indonesian government official dealing with curriculum (Respondent 1)*)

The comment indicates that as well as religion, Pancasila, citizenship, and Indonesian national language (*bahasa* Indonesia) are also compulsory subjects. Religion, in particular, according to Indonesia's Chief of the Ministry of Religious Affairs in Riau province, Fairuz, plays an important role in sustaining a strong sense of national culture.⁵⁸² To be competitive at the international level, mathematics, statistics, and logical thinking are now also compulsory subjects, and there is a wider range of subjects than during the Suharto era. Pancasila and moral education are now separate subjects as are Pancasila and citizenship.

To argue that the transfer of American values, such as liberal democracy, leads to homogenisation of education is unsound, because the Indonesian government retains sufficient control over its national education within its territory to avoid such an outcome. Chapter 2 discussed how Siqueira, and Verger and Bonal were concerned with the GATS facilitating the process of the homogenisation of education, and contended there was the potential for a loss of local cultures.⁵⁸³ They argued that the GATS' regulations regarding the Most Favoured Nation and National Treatment meant that there should not be differential treatment for national and foreign education providers, irrespective of whether or not foreign education providers develop courses that include local language and cultural values.⁵⁸⁴ Tikly too has argued that in many previously colonised states the governments are still struggling to

⁵⁸² In the District Ministry of Religious Affairs, "Currently Compulsory Religious Education is the Highest Priority," last modified August 20, 2013, <http://.riau.kemenag.go.id>.

⁵⁸³ Siqueira, (2005), 1-16; Verger and Bonal, (2006), 1-27.

⁵⁸⁴ Ibid.

develop education curricula suited to their cultures and histories.⁵⁸⁵ In the case of the Indonesia-US education relationship, however, although English language is a complementary feature, the responses obtained in this research illustrate Indonesia's determination to regulate and control its education, as seen in its ability to regulate the inclusion of Indonesian language as the language of instruction, and to include Indonesian cultural values in the education curriculum. There are advantages to Indonesian education promoting both English and *bahasa* Indonesia: learning English is essential if the students are to study in the US, and including *bahasa* Indonesia as the language of instruction is essential in order to preserve cultural values and national identity.

In seeking to answer the question of whether Indonesia retains control over its education curriculum, it is necessary to identify the control Indonesia has within each mode of transnational education. With regard to cross-border supply (mode 1) delivery, the movement of education programmes and materials takes only the forms of: (a) programme articulation, (b) twinning, and (c) double degree (the double degree programme is still in the process of negotiation). Programme articulations are inter-institutional arrangements between Indonesia and the US who agree to define jointly a study programme in terms of study credits and credit transfers. Twinning occurs when a foreign education provider collaborates with a provider in Indonesia to develop an articulated system that allows students to take course credits in one or both of the states. The arrangements for twinning programmes and awarding degrees usually comply with national regulations of the foreign education provider. In twinning, curricula are provided by foreign providers and are delivered by local institutions. Any programmes within Indonesia's territory are required to comply with Indonesian regulations. Because the twinning arrangements

⁵⁸⁵ Leon Tikly, "Education and the New Imperialism," *Comparative Education*, 40 (2004): 173-198.

comply with American regulations, in the Indonesia-US education relationship mode 1 is no longer limited to the provision of education services not requiring the physical movement of students. Double or joint degrees involve collaboration between the US and Indonesia to offer programmes for which students receive a qualification from each provider or a joint award from the collaborating partner. These arrangements usually comply with national regulations in both states. As the arrangements involve synchronising two different regulations, the double degree programme, although desired by the Indonesian respondents, is still in the process of negotiation (see chapter 8).

In the consumption abroad mode (mode 2), such as Indonesian students studying in the US, the Indonesian government also does not have control because Indonesian students have to follow the American education system.

In the commercial presence (mode 3) mode of delivery, the Indonesian government retains control over education as the presence of foreign education providers is restricted and closely regulated. Article 90 of the higher education law sets conditions for the presence of foreign education institutions in Indonesia: they have to be non-profit; or partner with Indonesian education institutions; and they must also be approved by the Ministry of Education.⁵⁸⁶ This regulation has already had an impact on Indonesia's educational relationship with other institutions; for example, although expected to do so, Monash University could not establish a branch institution in Indonesia, and established its branch in Malaysia instead.⁵⁸⁷ However, through Australia's Asian Century white paper, bilateral cooperation with Indonesia is expected to

⁵⁸⁶ See <http://www.bkpm.go.id>.

⁵⁸⁷ Bernard Lane, "Indonesia Outlooks Uncertain for Branch Campuses," *The Australian*, March 19, 2013. The reason the establishment of the/a Monash University branch in Indonesia was rejected is unknown.

strengthen and thus Monash University should be able to re-establish its branches in Indonesia.⁵⁸⁸

There have been controversies surrounding the presence of foreign education institutions in Indonesia. On the one hand, for those who oppose their presence, such as the Indonesian Deans' Forum, education is not a tradable product or commodity but has the moral value of maintaining and developing Indonesia's civilisation and culture.⁵⁸⁹ Andreas Tambah, secretary-general of the National Commission for Education, argues that, "foreign institutions will have more value than national universities. Students will choose foreign universities, and the national universities will be crushed."⁵⁹⁰ On the other hand, for proponents, every government and private sector including education is impacted by globalisation.⁵⁹¹ According to Riady, it is important to build a, "critical mass of citizens who understand the complexity of the world and can serve as bridges to other cultures and communities....A solid group of foreign educated citizens is essential to achieving this role."⁵⁹²

The Indonesian Deans' Forum, in spite of its rejection of the commercial presence of foreign education institutions in Indonesia, does not deny the important role of foreign education in improving the quality of education for Indonesian students.⁵⁹³ There are a few good quality Indonesian higher education institutions such as the elite state universities and several private universities that operate in big cities. It has been reported in the *Jakarta Post* that only 60% of lecturers in bigger universities, institutes and academies

⁵⁸⁸ See Australia in the Asia Century white paper, <http://www.asiancentury.dpmc.gov.au>. Also see Bernard Lane, "Monash to Consider Setting up Campus in Indonesia," *The Australian*, February 20, 2003.

⁵⁸⁹ In Rudijanto, "Liberalization in education: A threat or a Necessity?" *The Jakarta Post*, Wednesday, January 26, 2005.

⁵⁹⁰ Professional International Education News, "Indonesia Opens up to Foreign Universities," last modified September 10, 2013, <http://www.thepienews.com/news/Indonesia-opens-up-to-foreign-universities>.

⁵⁹¹ Lane, (2013).

⁵⁹² John Riady, "Top Flight Foreign Educated Graduates can Help Indonesia go Truly Global," *The Jakarta Globe*, January 15, 2010.

⁵⁹³ In Rudijanto, (2005).

have master's degrees or higher, while the number of lecturers with master's degrees reaches only 40% in some other universities.⁵⁹⁴

It is necessary to note, however, that there is some inconsistency between Indonesian education laws regulating foreign education presence, and the practice. Profit making universities such as Limkokwing University for Creative Technology (Chinese education provider) and Gandhi Institute of Business and Technology (Indian education provider), for instance, have been operating in Indonesia, and Indonesia will open its borders to foreign universities from across ASEAN in the next few years.⁵⁹⁵ In July 2013, Indonesia's Parliament endorsed a higher education bill allowing the entry of foreign universities.⁵⁹⁶ According to Agus Hermanto, the Chairman of the House Commission, allowing foreign universities in Indonesia will encourage Indonesia's most brilliant students, who would otherwise prefer to study overseas, to stay in Indonesia.⁵⁹⁷ Indonesia's tight regulations on entrance to Indonesian public universities, and the special entrance that is required by these universities, are also viewed as a valid reason for allowing foreign education institutions into Indonesia.⁵⁹⁸ Mohammad Nuh, the Minister of Education and Culture, has made clear that foreign universities operating in Indonesia would operate under the government's control: they must be non-profit making, and must uphold the Constitution, Pancasila, and Indonesian religious values.⁵⁹⁹

As with modes 1 and 3, the Indonesian government retains sufficient control over the Presence of Natural Persons (mode 4) mode of delivery. Mode

⁵⁹⁴ Ibid.

⁵⁹⁵ As reported by Dr Evi Fitriani, the Head of the International Relations Department, University of Indonesia. Also see James Smith, "Indonesian Universities Focus on Video Conferencing Opportunity," *Asia Pacific*, Thursday August 29, 2013.

⁵⁹⁶ Lane, (2013); Margaret Aritonang, "New Laws Open Doors to Foreign Universities," *Jakarta Post*, Saturday, July 14, 2013; Rudijanto, (2005). This thesis, however, does not deal with the numbers of foreign education providers in Indonesia as the study is not quantitative.

⁵⁹⁷ In Aritonang, (2013).

⁵⁹⁸ Ibid.

⁵⁹⁹ Ibid.

4 is subject to Indonesian labour and immigration laws and regulations; only directors, managers and technical experts/advisors, unless mentioned otherwise, are allowed to stay for two years, which may be extended for a maximum of two times, subject to a two years' extension each time. Managers and technical experts (intra-corporate transfer) are allowed based on an economic needs test. The entry and temporary stay of business visitors is permitted for a period of 60 days and may be extended for a maximum of 120 days (see chapter 4).

If homogenisation is the transfer of American values as a result of contact with Americans, Indonesia's relationship with the US in education since its independence has indeed resulted in the adoption of American literature and the American credit hour system. The interviews also indicate the interests and willingness of Indonesian respondents to adopt some aspects of American education. One of the interesting points to emerge from the research is the assuredness and confidence of the Indonesians in being able to preserve cultural values through education and the supportive response from the Americans. Thus, the Indonesia-US education relationship is a joint effort, rather than being one-way, which is not a defining feature of homogenisation. As outlined in chapter 2, the LDSs do not have control over the prevention of homogenisation. In the context of the Indonesia-US education relationship, Indonesia has the ability to preserve its cultural integrity, and formulate regulatory policies inside its territory. Language and religion are compulsory in the education curriculum and foreign students are required to learn and understand the Indonesian language. Although English is introduced in the curriculum as a way to prepare individuals for active roles in global competition, local stories are also included in the teaching of English language as they are regarded as necessary in order to preserve Indonesian cultural values. There is insufficient evidence from the interviews with both Indonesian and American respondents to support the statement that the US

deliberately transfers American values through the Indonesia-US education relationship. The adoption of American literature and an American credit hour system does not equate to the homogenisation of the curriculum because Indonesia retains sufficient control over its education curriculum through mode 3 and mode 4 as these modes take place in Indonesian territory. What is more, Indonesian cultural values and identity are maintained in education curricula by making *bahasa* Indonesia, religion, and Pancasila compulsory subjects. As education transactions are influenced by the values, ideas, customs and traditions of Indonesia's education partners, whether Indonesia will be able to preserve its cultural autonomy through education, or instead share and combine those values, ideas, customs and traditions, is discussed below.

9.4 Hybridisation of culture and education

The connection between transnationalism and hybridisation has been explained by Pieterse, who argues that transnationalism is one of the driving forces behind hybridisation.⁶⁰⁰ Transnational transactions are characterised by the processes involving sharing values, customs and traditions, through education as well as by the forms of educational delivery, resulting in hybridisation or the combination of foreign and local cultural values in regard to education.

Drawing on the history of Indonesian culture that has been formed by long interactions between the original indigenous culture, and various foreign cultural and religious influences, it could be argued that Indonesia has experienced forms of cultural hybridisation and the hybridisation of its education since before its independence. The arrival of Hinduism, Islam, and Buddhism has indeed shaped contemporary Indonesian culture. Islam became dominant and since then Islamic values and cultural traits have been carried over into the Indonesian cultural context. The adoption of Hinduism, Islam,

⁶⁰⁰ Jan Nederveen Pieterse, *Globalization and Culture: Global Melange* (Lanham, Maryland: Rowman and Littlefield Publisher, 2009).

and Buddhism in Indonesian dances and arts is widespread. The original indigenous cultures are still preserved through the combination of animism and dynamism with Hinduism, Islam, and Buddhism. The hybridisation of religious values – Hinduism, Islam, and Buddhism – and indigenous values has been maintained in Indonesia by handing down local wisdom and values through local stories or folktales from generation to generation, particularly through formal education. Similarly, sets of religious values are also handed down from generation to generation, and through formal education.

Under its former coloniser (the Dutch), Western culture had an influence on both Indonesian education and culture. Between 1950 and 1952 one of the biggest Indonesian universities, the University of Indonesia, adopted the Dutch curriculum, textbooks, and Dutch language as the language of instruction.⁶⁰¹ After independence, the Indonesian government grappled to reconstruct a curriculum that suited its culture and history. Both former presidents, Sukarno and Suharto successfully formulated an education curriculum based on Pancasila emphasising the importance of unifying Indonesia's diverse cultures. In the mid-1960s, several universities in Indonesia offered courses, in order to educate and train diplomats, in which American text books were extensively used.⁶⁰² Yet, while Indonesian national identity has been preserved through the education curriculum, American education and literature have influenced the Indonesian education curriculum at the post-secondary level.

This section examines the extent to which the creation of hybrid education programmes may be seen as having diminished Indonesia's educational sovereignty. It first examines the proposition that the creation of hybrid education programmes diminishes Indonesia's educational sovereignty, before examining the antithesis of that proposition, in which the creation of

⁶⁰¹ Bob Hadiwinata, "International Relations in Indonesia: Historical Legacy, Political Intrusion, and Commercialization," *International Relations of the Asia Pacific*, 9 (2009): 55-81.

⁶⁰² Ibid.

hybrid education programmes does not diminish the Indonesian government's ability to maintain Indonesian culture and values. The following comment is a good starting point to discuss the extent to which the creation of hybrid education programmes may be seen as having diminished Indonesia's educational sovereignty:

We also need a change of culture. They [Americans] are disciplined and are on time. For Indonesians the slogan *alon-alon asal kelakon* (slow but sure) is not always relevant in modern times. That kind of cultural value can lead us to live in modern times. (*Indonesian vice rector negotiating and administering MoUs (Respondent 2)*)

The respondent clearly illustrates the willingness to adopt some aspects of American cultural values. Such values include what the respondent terms as "discipline" and "on time". Reconciliation of culture that is required in modern life is indicated by the respondent. As shown in previous chapters, most Indonesian respondents also claimed a willingness to adopt and reconcile cultures. Respondent 2 further stated:

In the cultural aspect, this is only my impression, we are not self-centred. We are not like we used to be. I guess that is because of foreign influence whether as a result of the penetration of popular culture or through education partnership. (*Indonesian vice rector negotiating and administering MoUs (Respondent 2)*)

Although, as previously noted, the respondent, indicated his preference for adopting some aspects of American culture, he was fearful of the ramifications of the penetration of foreign cultures, including American culture, through education transactions, as such an influence could potentially

lead to the loss of highly valued and important Indonesian values and practices like social interdependence.

As foreign influence is viewed as a threat to Indonesian cultural values, it is to be expected that the Indonesian respondents would make clear about their determination to retain their own cultural values. The following comment illustrates this position:

We want internationalisation to enhance our identity, to make us stronger. We try to accept the good things but refuse the worst from outside. *(Indonesian director of the international office of a university in Indonesia (Respondent 10))*

The respondent is clear that Indonesian parties should accept foreign involvement in education that is beneficial for Indonesia, and refuse foreign involvement that is not in the interests of Indonesia. Although the education relationship with the US is valued by Indonesian negotiators and government officials, the maintenance of cultural values remains a matter of some concern for Indonesian negotiators. Evidence underlying this assertion is clearly shown both in the government regulations on character-based curriculum, and by the statements of some Indonesian respondents. Some Indonesian respondents included statements such as: “We have our own identity” (Indonesian government official dealing with curriculum (respondent 1)); “We have our identity and that identity must not disappear” (Indonesian vice rector negotiating and administering MoUs (respondent 2)); “We have regulated so that we will not imitate their values” (Indonesian government official (respondent 8)); “Whatever the activities, they should not be in conflict with the values of Indonesian people” (Indonesian director of the international office of a university in Indonesia (respondent 10)). Education transactions with the US, as indicated by most Indonesian respondents, are necessary for enhancing the quality and reputation of Indonesian higher education, without

losing national identity and cultural values. Booth clearly states, “Identity patterns are becoming more complex as people assert local loyalties but want to share in global values and lifestyles.”⁶⁰³ From the above comments, not only do Indonesian respondents indicate the willingness to adapt to American culture and to reconcile both cultures, but they also clearly asserted that Indonesia had a self-identity that signified the sense of ‘who we are’. It is important to note, however, that for most Indonesian respondents, American education does not, in fact, impact on Indonesian culture and values. As the following respondents stated:

Foreign involvement in curriculum is not easily adapted in Indonesia. The government of America could not intervene with Indonesian national education because it is under the authority of the Director General of Higher Education. (*Indonesian official dealing with financial management in a US government agency (Respondent 6)*)

American education does not impinge on Indonesian culture and values. (*Indonesian government official (Respondent 5)*)

Although foreign influence coming through interaction with American education could be viewed as a potential threat to Indonesia’s own cultural values, respondent 5 believes that Indonesia is protected from this threat because the Indonesian government has the ability to exercise its authority over national education. Consequently these respondents claim the education relationship with the US does not impinge on Indonesian cultural values. Here, the notion of cultural domination does not apply in the case of the Indonesia-US education relationship.

⁶⁰³ Ken Booth in Ronald Lipschutz, “Reconstructing World Politics: The Emergence of Global Society,” *Millennium*, 21(1992): 396.

It is during the negotiation of arrangements for MoUs that the implications of the education exchanges are considered, particularly the implications for maintaining cultural values. It is not surprising then that Indonesian negotiators have chosen to accept some aspects of American cultural values as desirable, indeed necessary, if they are to share fully in the benefits of the exchange. The willingness of the Indonesian negotiators to accept and adopt desirable aspects of American values, and the attempt to maintain Indonesian culture, illustrates the advantage of the hybridisation of cultures.

The following statement offers a good starting point for considering whether cultural values can be preserved through an education curriculum, while also gaining benefits from adopting American ideas or knowledge:

American education does not impinge on Indonesian culture and values. They live here comfortably and enjoy living in Indonesia. They will understand and be tolerant with our culture, and vice versa. (*Indonesian government official (Respondent 5)*)

This observation of one Indonesian government official dealing with negotiations between Indonesia and the US notes three important things. First, American education is described as not impinging on Indonesian cultural values. Instead, the respondent is of the view that through the education relationship, Americans and Indonesians will understand and be tolerant to each other's cultures. As has been shown in chapter 7 and chapter 8, Indonesia retains its authority over education within its territory. Second, through the Indonesia-US education relationship, there is the potential and promise of understanding and tolerance of each other's culture, as also indicated in the following comment:

The other connection that I have is I play in a Javanese gamelan here in Portland. So part of my interest in going was to be able to hear gamelan in its native setting. (*An American vice president for research and strategic partnership (Respondent 15)*)

The interpenetration of both cultures, as Pieterse argues, is one of the defining features of cultural hybridisation.⁶⁰⁴ The above respondent's interest in *gamelan* (Javanese instrumental music) illustrates how educational exchange and collaboration enhance understanding, tolerance and experience of each other's culture. The interpenetration of culture might be described as leading to cultural interdependence.⁶⁰⁵ An example of cultural interdependence is best illustrated by the comment of the following respondent:

Combination between two cultures is ok but we must not lose our identity. Those combinations include discipline, tolerance, being on time, accurate organisation, not self-centred. (*Indonesian vice rector negotiating and administering MoUs (Respondent 2)*)

The perspective of the vice rector above illustrates the preference for cultural interdependence. Yet, there are concerns surrounding the negative effects of foreign cultural penetration, such as capitalism that renders individuals self-centred and competitive, thereby ruining Indonesian practices of collectivity and unity. The following respondent also commented:

I hope American scholars and researchers could come here to educate in the area of early childhood; how to educate Javanese or how to educate Sundanese. But I think every region in Indonesia has its own wisdom. (*Indonesian vice*

⁶⁰⁴ Jan Pieterse, "Globalization and Hybridisation," *International Sociology*, 9 (1994):161-184.

⁶⁰⁵ Ibid.

*rector negotiating and administering MoUs
(Respondent 2))*

The above comment illustrates that although the respondent's preference for cultural interdependence is clear, and in spite of his admiration for American education, he is also concerned for the autonomy of the local culture. It is expected that although cultural interdependence is accepted, as the interviews illustrate, cultural values remain of significant importance in the education curriculum. Therefore, the government of Indonesia has attempted from time to time to preserve cultural values, through the education curriculum.⁶⁰⁶ This shows there is cooperation, conditioned by cultural ways of interaction for enhancing and improving understanding between the US and Indonesia. The cooperation involves interpenetration of culture and cultural interdependence is expected to follow, according to the Indonesian respondents (see chapter 8). In addressing the threat of foreign influences on Indonesian cultural values, the government is now actively promoting a character based curriculum, aimed at strengthening Indonesian cultural values.⁶⁰⁷ One respondent commented:

...our government is now actively developing a character based curriculum. The aim is to strengthen our cultural values, character, and identity. Globalisation as an excuse is ok, but we are Indonesian and we have our own identity. Even though Indonesians are in America, they should not be afraid to say 'Assalamualiakum' [peace be with you] in America because that's part of our culture, or, 'Punten' [hello in Sundaness]. We must be able to say that.
(Indonesian vice rector negotiating and administering MoUs (Respondent 2))

⁶⁰⁶ Research and Development Body, Ministry of Religion, "Character Based Curriculum," last modified July 29, 2013, <http://www.balitbangdiklat.kemenag.go.id>.

⁶⁰⁷ Ibid.

Nonetheless, it is a practically impossible task to develop regulations that prevent the inculcation of foreign values. For this reason, the preservation of cultural values will continue to be a challenge for Indonesia. Making religion a compulsory subject in the curriculum is important for preserving certain Indonesian religious values. Indonesia has five official religions of which Islam is the biggest in terms of the number of its followers. Islamic values are often enshrined in the Indonesian culture. Guided by the character based curriculum and the goal of national education to create individuals devoted to God, several education institutions in Indonesia have initiated the abolition of multiculturalism in education, and the obligation to read the Koran and pray in the education environment.⁶⁰⁸

The hybridisation of education results not only from an attempt to choose a set of values which is culturally relevant to include in the curriculum, but also from attempts to adopt new practices and learning experiences. Thus, the existing education curriculum combines with new practices and learning experiences. The benefits of new practices and learning experiences are best illustrated by the following responses:

We learn only from books and mainly from American sources. With the partnership, our students can go directly to America and learn directly...not solely from books or lecturers whose reading is based on American sources. That's amazing and has invaluable benefits. Many would agree that we use American sources for teaching and learning. If we can send students directly to America, they can learn directly from the authors and researchers, and so on. (*Indonesian vice rector negotiating and administering MoUs (Respondent 2)*)

⁶⁰⁸ Suara Pembaharuan, "Schools have Role in Abolishing Multiculturalism Values," last modified August 20, 2013. <http://suarapembaharuan.com>.

The interviewee's comment clearly illustrates that American literature and American education structures give new learning experiences. The interviews also illustrate the willingness to adopt American education, because it is perceived as beneficial.

The adoption of American approaches to education is evident in the curriculum. In 2003, Indonesia shifted the focus of the curriculum from being a content based curriculum to one which is competency based.⁶⁰⁹ The changes have meant the subjects in the national curriculum are more comprehensive and competitive. Subjects include religion, Pancasila, bahasa Indonesia, citizenship, mathematics, statistics, and logical thinking. The style of teaching has also shifted from teacher centred to student centred. The USINTEC partnership provides opportunities for dual degrees and sandwich programmes (pursuing degrees in Indonesia with access to resources in the US) which enable Indonesian educators to improve their student centred teaching quality.⁶¹⁰ In addition to USINTEC, USAID has also encouraged changes in teaching methods and in the ways students are encouraged to learn, and has sought to change the education environment, making it more conducive to learning by promoting greater participation in learning, and strengthening leadership.⁶¹¹ One respondent commented:

The government of America focuses on teaching methods that should be student centred, language, science, and math. The national education of Indonesia has been set by the Ministry of Education and the Ministry of Culture, particularly the standard of content and process for achieving Indonesia's development goal for creating human capital who are devoted

⁶⁰⁹ Directorate General of Higher Education, "Guideline for Developing Competency Based Curriculum," 2008.

⁶¹⁰ USINTEC, "Programs," last modified June 20, 2012, <http://www.usintec.org/projects>; USAID programmes, such as PRESTASI, from <http://www.indonesia.usiad.gov/>; U.S. Department of State, "Background Note: Indonesia," <http://www.state.gov>.

to God, knowledgeable and skillful in science, technology, art, and citizens who participate in development based on Pancasila and [the] Constitution 1945. (*Indonesian official dealing with financial management in a US government agency (Respondent 6)*)

The above comment illustrates the role of the US in Indonesian curriculum development, by introducing student-centred teaching style. The adoption of American approaches to education is clearly evident in the curriculum: the shift from teacher centred to student-centred education. It is necessary to note that the term ‘curriculum’ is different for both American and Indonesian educators. Ayers and Tyler argue that Western educators generally define the term curriculum as the process and product of instruction occurring inside and outside the classroom.⁶¹² On the other hand, Indonesian educators define the term curriculum as the written and standardised subjects for which the guidelines are provided by the national central office.⁶¹³ In this context, there are hybridisation processes at work in Indonesian education as a response to the Indonesia-US education relationship.

The struggle to maintain cultural values continues; however. McDonalds, jeans, and rock music are regarded as American cultural icons and are favoured by Indonesians. As it is Indonesians adopting some aspects of American culture rather than Americans adopting some aspects of Indonesian cultures, there is some concern about the loss of Indonesian identity and cultural values. Booth argues that identity patterns are becoming complex, as people assert local loyalties but want to share in global values and lifestyles.⁶¹⁴ Such complexity in patterns of identity, coupled with the risk of cultural

⁶¹² In Udin Saud and Marylyn Johnston, “Cross-Cultural Influences on Teacher Education Reform: Reflections on Implementing the Integrated Curriculum in Indonesia,” *Journal of Education for Teaching*, 32 (2006):3-20.

⁶¹³ Ibid.

⁶¹⁴ Ken Booth in Ronald Lipschutz, (1992), 396.

values fading away, has some bearing on education policy. As noted above, for instance, a character based curriculum was developed in order to maintain national identity and cultural values, through education.⁶¹⁵

Transnational education, though one of the driving forces behind hybridisation, does not necessarily diminish Indonesia's educational sovereignty. The Indonesian authorities retain their ability to exercise influence over national education. Here, the education relationship with the US does not impinge on Indonesian cultural values. In spite of the penetration of American culture through education transactions between Indonesia and the US, Indonesian identity and culture survive and are preserved through the national education curriculum. The idea of cultural imperialism does not apply as there is no indication of American cultural imposition, as most Indonesian respondents claimed a willingness to adopt some aspects of American culture. There is no indication of cultural dependence in the Indonesia-US education relationship: Indonesian respondents have clearly asserted that Indonesia has its own identity. Yet, whether or not hybridisation of education and culture diminish educational sovereignty depends on the state. The state enacts regulations and is responsible for enforcing national education law, regulating education within its borders, prioritising development needs through education, and pursuing particular, chosen learning experiences from the West while maintaining national identity.

9.5 Concluding remarks

This chapter has discussed identity and cultural values for Indonesia, and has explored the extent to which Indonesia is able to preserve its identity

⁶¹⁵ Character based curriculum is aimed at creating not only knowledgeable and skillful citizens but also citizens devoted to God. Character based education curriculum is based on national culture and identity. See Denny Setiawan, "Character Based Curriculum and its Implementation on Early Childhood Education," <http://www.pustaka.ut.ac.id>; Department of National Education, "General Policies of Curriculum Development," Department of National Education Research Development, Jakarta, 2000.

and cultural values. The Indonesian education system is culturally bound and derived giving guidance as to how people should live and act. Indonesian education is founded on obligations as both a student and an educator, duties (through *gotong royong*), tradition (*musyawarah and mufakat*), dependence on teachers' knowledge, avoiding conflict for achieving harmony, and obedience to the authorities, such as educators.⁶¹⁶ The adoption of Hinduism, Islam, and Buddhism in Indonesian dance and the arts is widespread. The original indigenous cultures are still preserved through the combination of animism and a dynamic relationship with Hinduism, Islam, and Buddhism. The hybridisation of religious values – Hinduism, Islam, and Buddhism – and indigenous values have been maintained in Indonesia by handing down local wisdom and values through local stories or folktales from generation to generation, particularly through formal education. Similarly, sets of religious values are also handed down from generation to generation, and through formal education. Foreign influence through education, nevertheless, has been viewed by some respondents as a threat to Indonesian cultural identity.

If homogenisation is a purposeful attempt by the US to transfer American influences, there is insufficient evidence from the interviews with either Indonesian or American respondents to support the statement that the US deliberately transfers American values through the Indonesia-US education relationship. If homogenisation results from the transfer of American values as a result of contact with Americans, Indonesia's relationship with the US in education since its independence has indeed resulted in the adoption of American literature and the American credit hour system. The interviews also indicate the hope and willingness of Indonesian respondents to adopt some aspects of American education. One of the interesting points to emerge from the research is the assuredness and confidence of the Indonesians in being able to preserve cultural values through education and the supportive response

⁶¹⁶ Triandis, (1994).

from the Americans. What is more, the US has fulfilled the education needs of Indonesia. Thus, the Indonesia-US education relationship is a joint effort, rather than one-way effort, something which is not a defining feature of homogenisation. The adoption of American teaching materials literature and the American credit hour system does not mean that Indonesian higher education is subject to homogenisation because the government of Indonesia chose to adopt American credit hours and literature. What is more, Indonesia retains control over its education curriculum through mode 3 and mode 4, as these modes take place in Indonesia's territory. The government of Indonesia also retains control over cross-border supply delivery (mode 1). The twinning arrangements, for instance, require compliance with American education regulations. Because the twinning arrangements comply with American regulations, the twinning programme is limited to the physical movement of Indonesian students to the US. The Indonesian government does not have full control over the consumption abroad mode of delivery (mode 2), because Indonesian students have to follow the American education system. A lack of control in this one situation does not mean, however, that Indonesian higher education curriculum is subject to homogenisation. Indonesia is able to preserve its cultural integrity, and formulate regulatory policies inside its territory. Language and religion are compulsory in the education curriculum and foreign students are required to learn and understand the Indonesian language. Although English is introduced in the curriculum as a way to prepare individuals for active roles in global competition, local stories are also included in the teaching of the English language, as they are regarded as necessary in order to preserve Indonesian cultural values. For the above reasons, hypothesis 7, having American education provided education in Indonesia leads to the homogenisation or Americanisation in education through the transfer of American culture and values, is not confirmed, whereas hypothesis 8, through the exercise of educational sovereignty, the

Indonesian government retains sufficient control over its national education curriculum such that it is not subject to homogenisation, is relevant.

Despite the penetration of American culture through education transactions between Indonesia and the US, Indonesian identity and culture have survived and are preserved through the national education curriculum. From the research data gathered for this study, it is clear there is no indication of American cultural imposition, with most Indonesian respondents claiming they willingly adopt certain aspects of American culture because they consider it beneficial or advantage to their own national interests to do so. Accordingly, the idea of cultural imperialism is not supported. Neither were there any indications of cultural dependence arising from the Indonesia-US education relationship, as Indonesian respondents have clearly asserted that Indonesia has its own identity. It is concluded from this study that whether or not hybridisation of education and culture diminish educational sovereignty depends on the state which enacts regulations and is responsible for enforcing national education law, regulating education within its borders, prioritising development needs through education, and pursuing particular, yet chosen, learning experiences from the West, while maintaining national identity. For the above reasons, hypothesis 9, the creation of hybrid education programmes diminishes Indonesia's educational sovereignty that the forces of hybridisation diminish Indonesia's educational sovereignty, is not confirmed, whereas hypothesis 10, the creation of hybrid education programmes does not diminish the Indonesian government's ability to maintain its culture and values, is confirmed.

In the Indonesia-US bilateral relationship in education, cooperation is conditioned by culturally based perceptions and interactions. The maintenance of religion in the Indonesian education curriculum is necessary, and the cooperation is intended to enhance and improve understanding between the US and Indonesia. The cooperation involves interpenetration of culture and

cultural interdependence is expected to follow in the views of the Indonesian respondents.

Identity and language are constantly changing and it is also the case for Indonesia. In this context, the notion that identity and culture are fixed, as implied by some critical educationalists, can be dismissed. An interesting point that these theorists are making is that, as this change takes place, it is, inevitably, the exchanges that need to be determined. Another interesting point they make is that culture and the capacity to remain in control of it is a central issue. In the context of the Indonesia-US education relationship, the loss of Indonesian culture is one of the highest concerns for Indonesian respondents and thus the maintenance of culture is one of the highest priorities in the negotiations.

CHAPTER X

CONCLUSION

The objective of this thesis was to examine questions about the ability of the Indonesian government to retain control over the content and delivery of education in an environment where Indonesia has a growing number of programmes offered through transnational education agreements with the US. The research was motivated by a concern to examine the arguments of critical education theorists who consider education to be a social and cultural process and who see foreign-controlled education as presenting a risk to a recipient nation's cultural integrity. Tikly, Pennycook, Nguyen, Elliot, Terlouw, and Pilot have all argued that cultural homogenisation tends to be the result of the educational relationships between the LDSs and developed states, and that these relationships disadvantage the former.⁶¹⁷ For some of these writers, transnational education is seen as a means by which new forms of imperialism are perpetuated. Tikly, Carnoy, and Canto and Hannah contend that this new imperialism involves processes which reinforce knowledge dependency, financial dependency, and cultural dependency. Together, these constitute a type of cultural imperialism and a continuation of the history of Western domination. Foreign forms of knowledge and expertise, and foreign education institutions, are considered to be the principal means of enforcing the new imperialism, reinforcing the dependence of LDSs on foreign knowledge, technology transfer, and foreign scientific skills.

⁶¹⁷ Alastair Pennycook, *The Cultural Politics of English as an International Language* (Harlow, Essex: Longman Group Limited, 1994); Leon Tikly, "Postcolonialism and Comparative Education," *International Review of Education*, 45 (1999): 603-621; Leon Tikly, "Education and the New Imperialism," *Comparative Education*, 40 (2004): 173-198; Phuong-Mai Nguyen, Julian Elliot, Cees Terlouw, and Albert Pilot, "Neo-colonialism in Education: Cooperative Learning in an Asian Context," *Comparative Education*, 45 (2009): 109-130.

The definition and conceptualisation of transnational education and educational sovereignty that was outlined in chapter 2 establishes a foundation for the examination of these issues.⁶¹⁸ In this concluding chapter, the hypotheses which raise questions around educational sovereignty in the Indonesia-US education relationship are reviewed and evaluated on the basis of the findings of this research. The chapter also comments on the significance of the study; it reflects on questions of method; it lists a series of issues arising from the research; it considers the limitations of the study; and, it proposes future research avenues on this topic.

10.1 Evaluating transnational education in Indonesia

Transnational education was defined as the mobility of education materials, students, and foreign education service providers across borders. In addressing the question of whether transnational education diminishes the educational sovereignty of LDSs, this study has focused on the Indonesia-US education relationship because it provides a unique example for examining the impact of transnational educational exchanges and educational sovereignty. Transnational education in Indonesia can be said to have its origins in the history of colonialism. While under Dutch control, various professional colleges in which Dutch experts played significant roles were established. Later, during the Suharto era, post-secondary education played a defining role in promoting Indonesia's economic development and stability. Education was regarded as an essential instrument for creating the human capital necessary for Indonesia's development. From that time onwards, education has been closely linked through government policy to the needs of the economy. This theme continues and today Vice-President Boediono emphasises the role of

⁶¹⁸ The objective of this thesis is not to prove whether the perspectives of critical education theorists are wrong or right, but more comprehensively to provide the framework analysis, by including both state and non-state actors in the analysis, for explaining when educational sovereignty is and is not diminished by transnational education.

education, from basic to post-secondary education levels, in Indonesia's development.⁶¹⁹

Knight's classification of different modes of delivery in transnational education (see Table 1 in chapter 2) provides some defining clarity. Cross-border supply (mode 1) refers to the supply of education services in the consumer country; consumption abroad (mode 2) refers to the situations where students travel to the country of the education provider; commercial presence (mode 3) refers to education suppliers which establish institutions in the consuming country; and, presence of natural persons (mode 4) refers to educators or scholars travelling to another country for the purpose of providing education services. In the case of the Indonesia-US education relationship, mode 1 takes a variety of forms: (a) programme articulations (b) twinning, and (c) double or joint degrees. Twinning occurs when an education provider in the US collaborates with one in Indonesia to develop an articulated system that allows students to gain course credits in one or both of the states. The arrangements for twinning programmes and awarding degrees usually comply with national regulations of the American education provider. In the context of the Indonesia-US education relationship, the definition of twinning is no longer indicated from chapter 2 as it is no longer limited to the provision of education services that do not require the physical movement of students, because the twinning arrangements comply with American regulations. Any programmes within the Indonesian territory are required to comply with Indonesian regulations.

The commercial presence mode of delivery (mode 3) is highly regulated with foreign education institutions required to collaborate with Indonesian providers and ensure at least 80 per cent of the educators are Indonesian nationals. They must be non-profit making institutions or work in conjunction

⁶¹⁹ In *Kompas*, "Education as the Key to Development," August 27, 2012.

with a local partner, and they must be registered as accredited education providers with the Indonesian Ministry of National Education (see chapter 4 and chapter 9).

Table 3 in chapter 2 shows important aspects of the relationship in education between the developed and the less developed states. The relationships with foreign education providers, for instance, can be either competitive or collaborative. In the case of the Indonesia-US education relationship, Indonesia has allowed foreign education providers to operate in Indonesia, subject to a number of stipulations, such as they must be non-profit education institutions. In this context, the relationship is collaborative, not competitive.

In Indonesia, the delivery of the programmes through the cross-border supply mode (mode 3) is often achieved through partnership arrangements, for example, the twinning programme between Jakarta International College and Western Michigan University. The aim of these forms of transnational education (twinning and the provision of double degree programmes) is mainly to meet academic and cultural objectives. The delivery of the programmes through consumption abroad (mode 2) occurs not only through partnership arrangements but also through the independent initiative of Indonesian students who go to the US for study using self-funding. These forms of transnational education aim primarily at the achievement of academic, cultural, and trade objectives. Commercial presence (mode 3), as noted above, is highly regulated in Indonesia, with the delivery of programmes through the presence of natural persons (mode 4), and is typically achieved through partnership arrangements with organisations such as USAID and USINTEC, and through academic and research collaboration conducted through partnership agreements.

Overall, transnational education implies a platform for partnership through franchising and twinning arrangements, branch campuses, and

corporate programmes, and the existence of a new type of relationship in which educational aid or assistance is part of that relationship.

10.2 The Indonesia-US education relationship and Indonesia's educational sovereignty

As set out in chapter 2, this study defines educational sovereignty as the autonomy of the state to make independent decisions regarding national education policy, together with the authority of a state to control the movement of people, education materials, and institutions within and across national borders without intervention from external or foreign authorities, unless such intervention is sought. The question of whether transnational education diminishes the educational sovereignty of the less developed state has been examined in this thesis through interviews with officials from Indonesia and the US who negotiate and oversee transnational education agreements, and the analysis of MoUs and other reports from institutions, as well as the analysis of media reports, related publications, and journal articles. The analysis has been oriented towards examining the theoretical propositions set out in chapter 2.

Post-secondary education in Indonesia has its roots in a long history of colonisation. Given this history, there is a tendency towards suspicion of foreign involvement in education. Recent legislation, however, has opened access to Indonesia's education market for foreign providers, including American education institutions. Indonesia has had links in education with the US since independence. Education was one of the key components in the US-Indonesia Comprehensive Partnership negotiated in 2010. Education is regarded by both states as important for strengthening the bilateral relationship and promoting dialogue, advancing peace and tolerance, and facilitating mutual respect for one another culture. The establishment of the

Comprehensive Partnership has provided a framework for furthering the scope and provision in the bilateral agreement in education.

In examining the dynamics of the Indonesia-US education relationship, this study sets out criteria for identifying educational sovereignty and threats to the loss of such sovereignty. Clearly, the capacity of the state to regulate national education and enforce national education law without interference from foreign authorities is critical here. In spite of its active participation in transnational education, Indonesia maintains Pancasila, the Constitution 1945 (UUD 1945), and the inclusion of religion as the foundation of its education programmes and these safeguards are instrumental in preventing the loss of Indonesian identity and cultural values. Even though the Indonesian National Education Law of 2003 authorises transnational education within Indonesian territory, foreign education institutions are required to follow the Indonesian curriculum, which is under the authority of Directorate General of Higher Education. In spite of the flow of education across borders, *bahasa* Indonesia is the language of instruction, and religion is compulsory in the Indonesian education curriculum.

The freedom to control the mobility of education materials, programmes, and education institutions within the state's territory and across its borders is also an indicator of education sovereignty. Any programmes within Indonesia's territory are required to comply with Indonesian regulations. In the commercial presence mode of delivery (mode 3), the Indonesian government retains control over education, as the presence of foreign education providers is restricted and closely regulated. Article 90 of the higher education law sets conditions for foreign education institutions in Indonesia: they have to be non-profit making organisations or partner with Indonesian education institutions; and, they must also be approved by the Ministry of Education although, as noted below, there are exceptions to this last provision.

The financial aspects of education are a significant challenge for Indonesia. Thus, foreign financial assistance is certainly welcomed because research projects and education programmes require funding, particularly where there is a shortfall from fee-paying students. The government of Indonesia, however, has been selective with regard to receiving foreign financial assistance. In the 1950s, for example, Indonesia accepted more loans from the US rather than grants because it did not want to align itself with the US (and the West). During Megawati's presidency, the US agenda in counter terrorism ignited criticism from the Vice-President, Hamzah Haz who argued that the US had invited the terrorist attack launched by the Islamist terrorist group on September 11, 2001 "to cleanse its sin".⁶²⁰

The recognition of juridically independent territorial entities which are equal and which can enter into voluntary contractual agreements, such as treaties and Memoranda of Understanding (MoUs) is also a feature of educational sovereignty (see Table 4 in chapter 2). Table 9 (see chapter 5) has shown that most interactions between parties to the agreements differ in scope. Nevertheless, the principle of reciprocity remains: most agreements emphasise the ideal that exchanges and activities are to be mutually beneficial and there is to be mutual respect for each other's laws. This mutuality is highly significant in that the relationship involves a two-way effort in which Indonesia's educational sovereignty is retained. Most of the agreements emphasise this mutual commitment. Agreements at the government level (G to G) are the most comprehensive, and provide the guidelines for other parties at different levels (U to U or Public-Private providers). They cover not only the commitment of the state to facilitate favourable treatment for the mobility of education exchanges and co-operation with respect to visas, but also funding for the exchanges, the range of activities, executive agencies, obligations of

⁶²⁰ Carnegie Endowment, "Where the War on Terror is Succeeding," last modified November 30, 2012, <http://www.carnegieendowment.org> Also see <http://www.pdii.lipi.go.id>.

both parties, recognition of each other's laws and sovereignty, governance, intellectual property, location of meetings, annual reports, annual budgets, settlement, commencement, amendments, and termination of the agreements. At the government level, the principles of the relationship are outlined comprehensively in the agreement, which enshrines principles ensuring mutual benefits, carrying out activities which abide by Indonesian law, sovereignty and equality, mutual respect, mutual commitment, and transparency.

The ability to maintain local cultural values through education is also an indicator of educational sovereignty. In chapter 2, homogenisation is defined both as a purposeful process of change to reflect American values, and the consequential transfer of American values as a result of contact with Americans. Ensuring the preservation of indigenous cultures in Indonesia, the norms and practices that define the various peoples that make up the nation, and ensuring they are valued within the formal education system represents a type of sovereignty that is closely guarded. The original indigenous cultures are still preserved through combining animism and dynamism with Hinduism, Islam, and Buddhism. The hybridisation of the religious values of Hinduism, Islam, and Buddhism, and indigenous values has been maintained in Indonesia, by handing down wisdom and values through local stories or folktales, from generation to generation, particularly within formal education. Similarly, religious values are also handed down from generation to generation, and through formal education. Here, the concept of hybridisation, rather than homogenisation, is pertinent to the discussion of Indonesia's educational sovereignty.

The substantive analysis of the research findings, as outlined in chapters 7 to 9, has enabled the writer to address the question of whether education exchanges between Indonesia and the US have resulted in any

reduction in Indonesia's sovereignty in education. This substantive analysis is further discussed below.

10.3 The hypotheses and implications for educational sovereignty

The central question of this thesis is: “Does transnational education involving a developed state and a LDS diminish the education sovereignty of the latter?” The hypotheses, derived from the literature review in chapter two, and their relevance in assessing whether or not, and if so to what extent, transnational education diminishes educational sovereignty, are now assessed.

Hypothesis 1: Transnational education is about the development of a new imperialism by perpetuating knowledge and financial dependency through the transfer of American knowledge and aid in education

The interviews indicated that the Indonesian negotiators of transnational education agreements highly valued the knowledge and technology provided by American education providers and that they had a strong interest in adopting them. As discussed in chapter 6 and chapter 7, these respondents clearly indicated that they were not coerced, but rather were willing to learn, and adopt, new skills and knowledge in order to improve the quality of Indonesian education, its graduates, educators, and researchers. There was no evidence to support a proposition that transnational education constitutes a new type of imperialism by perpetuating knowledge dependency through heavy reliance on foreign experts. One important factor here was the way the Indonesian government endeavoured to be less dependent on foreign experts. These attempts include regulations that require academic directors and executives to be Indonesian citizens, unless the education providers are wholly owned by foreigners. This has been a very effective measure for protecting local institutions and ensuring expatriates do not dominate local academic staffing.

Although Indonesia receives financial assistance from the US, the findings suggest that the relationship is characterised by recognition and

respect, and as a partnership between equals. Through USAID, Indonesia has received grants for the purpose of nation building. USAID was found to work closely with local institutions to build their capacity, while recognising the authority and determination of Indonesia to control those institutions. Education remains under the authority of the Directorate General of Higher Education. Not only does USAID recognise the leadership role Indonesia plays in its own development, but it also formulates and implements its policies according to both the US mission strategy to Indonesia and the Indonesian national education strategy. Indonesia has endeavoured to reduce dependence on foreign financial assistance, including American financial assistance, by increasing its budget in education expenditure and contributing financially to its education relationship with the US. Indonesia has various relationship choices for education aid, and Indonesia will continue in the foreseeable future to require education grants from a range of sources, and is not dependent on the US as its principal donor.

One prominent argument of critical education theorists is that recipient countries become dependent on the knowledge and financial aid of the provider countries. In the Indonesia-US education relationship, although dependence on foreign expertise and the one-way transfer of knowledge are evident, the Indonesian government has repeatedly encouraged self-reliance, rather than dependence on foreign countries for knowledge or aid. The Indonesian government through national education laws has been active in limiting its dependence on foreign countries, whether that reliance was on knowledge, education professionals, or on finance. Accordingly, the Indonesia-US education relationship does not conform to a new type of imperialism. The argument, therefore, that transnational education contributes to the development of a new imperialism by perpetuating knowledge and financial dependency through the transfer of American knowledge and aid in education is not supported by this research.

In summary, gaining new skills and knowledge was regarded by the Indonesian respondents to be one of the benefits of the relationship, as new skills and knowledge improve the quality of Indonesian education, its graduates, educators, and researchers. The implication for Indonesia's educational sovereignty was examined through a framework specifically constructed for analysing the extent of educational sovereignty (see Table 4 in chapter 2). The Indonesian respondents were aware of the risks of the relationship, such as being dependent on Americans' knowledge and financial assistance. Thus, the Indonesian government has been active in limiting its dependence on foreign countries, whether that reliance was on knowledge, education professionals, or on finance through national education laws. In this context, the government of Indonesia has control over national education laws.

Hypothesis 2: Transnational education advances learning about other states and has the potential to improve relationships and promote international understanding

This hypothesis proposes that education exchange between the US and Indonesia is perceived by both Indonesia and the US as enhancing understanding about each other. In the Indonesia-US education relationship, respondents indicated that the course of the relationship between the two states had not always been without obstacles. Yet, both Indonesia and the US have endeavoured to build a stronger relationship by making long-term commitments through the US-Indonesia Comprehensive Partnership. The Americans have the opportunity to study Indonesian culture, language, and arts, under Darmasiswa scholarships, while Indonesian youth have the opportunity for AFS (American Field Scholarship) exchanges for gaining greater cultural understanding.

Both the interviews and the analysis of the MoUs confirm that the Indonesian-US education relationship enhances the understanding between

the countries. It is clear that the Indonesia-US education relationship is politically related, with the US-Indonesia Comprehensive Partnership replete with political potential from the outset. The education relationship is part of the broader pattern of Indonesian-US relationships, as Indonesia seeks to advance its development interests and the US seeks to advance its interests in the region. For example, both are concerned about the rise of China politically and economically, and also with the stability of the region. Consequently, Indonesian and the US have a common cause. It is unavoidable that the Indonesia-US relationship is politically motivated towards serving each other's interests. For example, from Indonesia's perspective, the US has been a counter-balance in the South China Sea (located to the North of Indonesia) dispute, and the US market has contributed to the profitability of Indonesia's rubber and allied industries. Additionally, the education relationship with the US can be seen to serve the interests of Indonesia, given that prestigious US technology, science, and engineering play an important role in *ketahanan negara*, or state resilience.

It is clear that the relationship does enhance and improve understanding between Indonesia and the US through academic and research collaboration. The respondents who studied in the US for one year or less showed a greater appreciation of America, while continuing to be cautious about losing their cultural identity. Similarly, American participants who had visited Indonesia showed a greater appreciation of Indonesia's diverse cultures and its geopolitics. The evidence from this research is that transnational education does advance learning about other states and does have the potential to improve relationships and promote international understanding.

Hypothesis 3: American education programmes undermine Indonesian educational sovereignty

The extent to which Indonesia's educational sovereignty is undermined by American education providers can be evaluated based on the extent to which the government commits to an investment in public higher education, and restricts transnational education to the mode that is beneficial for Indonesia. When the government is able to commit to investment in public higher education, as opposed to a solely user-pays policy, the argument that government is forced to accept deregulation from external institutions is not supported. The Indonesian government has the authority and capacity to regulate the modes of education delivery, not only between state actors, but also between non-state actors and state actors, between state actors, and between non-state actors. When the government is able to restrict transnational education modes by committing only to those which benefit Indonesia, the argument that foreign education providers weaken Indonesia's ability to regulate education within its borders is not supported. The perception of the Indonesian respondents of being equal in the relationship is important in ensuring that sovereignty in education is retained by Indonesia. One of the defining features of educational sovereignty, as outlined in chapter 2, is the need to challenge the arbitrary authority of power structures in determining the essence of individuals' educational experiences. Some Indonesian respondents saw not only the necessity of retaining control of the commercialisation of education within Indonesia but also the necessity of being able to refuse what would not be beneficial for Indonesia. For them, individuals should determine their own course of learning, and not to be used only as a convenience and to bring pecuniary gains to education providers. This research does not support the argument, therefore, that the provision of American education programmes in Indonesia undermines Indonesian educational sovereignty. On the contrary, Indonesian respondents considered

that their own education programmes were enhanced through the education exchange.

Hypothesis 4: American education providers operate within the terms of negotiated exchange agreements and do not undermine or weaken the educational sovereignty of Indonesia

As noted above, the Indonesian government has been increasing its investment in public higher education, as opposed to operating according to a solely user-pays policy. It maintains a strong role in shaping education regulations, and it has the capacity and authority to regulate the modes of education delivery, not only between state actors, but also between non-state actors and state actors, and between non-state actors. American education providers are required to operate in a manner and to the extent to which Indonesia agrees and approves.

The interviews reveal that the relationship is based on mutually agreed objectives. The negotiators of exchange agreements believed that Indonesia was not coerced into accepting what would be regarded as unfavourable conditions. The elements of educational sovereignty are present, including the ability to refuse foreign involvement in education, unless Indonesia has sought and approved the involvement, and the ability to exercise authority in enforcing national education regulations. Indonesian parties have long retained the capacity to make decisions independently without undue influence from the US, and so, the sovereignty of Indonesia is not weakened by American education providers. From this research, it is clear that the argument that American education providers operate within the terms of negotiated exchange agreements and do not undermine or weaken the educational sovereignty of Indonesia is confirmed.

Hypothesis 5: American financial assistance in education threatens the educational sovereignty of Indonesia.

There were two main aspects to explore in examining this hypothesis and in determining whether American financial assistance has been a threat to the educational sovereignty of Indonesia. The first is the question of whether there was any evidence that there had been, and whether there were, conditions attached to American financial assistance which could be seen as a threat. The second is the question of what limitations there were on the exercise of authority and autonomy over education by the US within Indonesian territorial boundaries.

To examine whether there was any evidence that there had been conditions attached to American financial assistance which could be seen as a threat to Indonesian education sovereignty, it is necessary to understand first how much US aid was given to Indonesia. Although during the George W. Bush administration, US assistance targeted terrorism, arguably benefitting the US, Table 8 in chapter 5 shows that most US assistance to Indonesia targeted such areas as health and military training. These areas addressed needs identified by the Indonesian government, with one of the US's major aid initiatives being the six-year, \$157 million education programme that began in 2004.

There was no evidence that American financial assistance in education was considered a threat. USAID has played an important role in Indonesia's education through its financial contribution. The US does place conditions on its assistance in education, based on the purpose and aims of the US-Indonesia Comprehensive Partnership, which is a long-term commitment to foster Indonesia-US bilateral relations. There was no evidence of any attachment of conditions for the assistance. USAID endeavours to work collaboratively and build the capacity of local institutions, while recognising the authority of Indonesia to control its national education, and thus does not seek to intervene

in Indonesian's national education, which is under the authority of DIKTI. USAID, therefore, formulates and implements its policies in line with both the US mission strategy to Indonesia and the education strategy set down in Washington, and with the Indonesian national education strategy. USAID also recognises the leadership role Indonesia plays in its own development and respects the position that Indonesia has authority over its education. For these reasons, this research found no evidence to support the argument that American financial assistance in education threatens the educational sovereignty of Indonesia.

Hypothesis 6: American financial assistance is an instrument for the development of Indonesia and for its education.

American technical and financial assistance has played an important role in Indonesia's development since Indonesia gained official independence in 1949. Through USAID, US support for enriching the quality of education comes not only through improving education infrastructure, but also through providing training for educators and increasing access to higher education opportunities for the wider communities. Together with Chevron, USAID has built more than 1000 houses in Aceh province, and has contributed to the construction of an 8,350 square metre polytechnic building development. Through SERASI, USAID provides grants to support activities that expand access to quality education services in remote areas. USAID has also sponsored cluster-based in-service training, training in education performance assessment, training in the use of information and communication technology, Partnerships for Enhanced Engagement in Research (PEER), and Programmes to Extend Scholarships and Training to Achieve Sustainable Impacts (PRESTASI) (see chapters 5, 7, and 8). Although the US has contributed a significant amount of financial assistance, most Indonesian respondents did not offer any comment on the significance of American financial assistance to Indonesia's development and education. Rather, most Indonesian respondents,

as noted in chapter 6 and chapter 7, asserted that Indonesia was not financially dependent on the US. Further, Indonesian negotiators expected to be treated as equals, in spite of the significant financial contributions the US has made to Indonesian education.

In summary, American financial assistance can be, and has been, an instrument for Indonesia's development, with both American and Indonesian parties working together toward shared goals. In this context, the determinant of educational sovereignty, recognition of independent entities by other states, is present.

Hypotheses 7: Having American provided education in Indonesia will lead to the homogenisation of the Indonesian education curriculum, through the transfer of American culture and values

The terms Westernisation, Americanisation, and homogenisation are prominent in discussions surrounding the internationalisation of education. As discussed in chapter 2, the term Westernisation refers to the preservation of cultural influences generated through cultural contact with the West. Similarly, the term Americanisation refers to the transfer of influences, such as cultural values and American liberal democracy, generated through cultural contact with the United States. This thesis has used the term 'Americanisation' rather than 'Westernisation' because the focus of this thesis is the educational relationship between Indonesia and the US. As this thesis uses the Indonesia-US education relationship as a case study, the terms Americanisation and homogenisation have been used interchangeably within the thesis. As defined in chapter 2, homogenisation is characterised by both the transfer of American values in support of liberal democracy, and a purposeful process of change to reflect American values.

To argue that the transfer of American values, such as liberal democracy, in education leads to homogenisation of education is untenable.

Historically, Indonesia has been willing to adopt American education and the US has fulfilled the education needs of Indonesia. Immediately following Indonesia's independence, USAID responded to the education need of Indonesians by supplying textbooks and teaching aids for teacher training. The US has also established the largest English Language Fellow Program in Indonesia which addresses the needs of Indonesia by increasing the opportunities for Indonesians to learn English. Accordingly, there are some influences on Indonesian education, such as the influence of American scholarly literature in Indonesian higher education, and the establishment of Indonesia's system of higher education, which is based on some aspects of the US system.

Indonesia's relationship with the US in education since its independence has indeed resulted in the adoption of American literature and American credit hour system. The interviews also indicate the interest and willingness of Indonesian respondents to adopt some aspects of American education. One of the interesting points to emerge from the research is the confidence of the Indonesians in being able to preserve cultural values through education, a stance which has elicited an emphatic and supportive response from the Americans. Thus, the Indonesia-US education relationship is a joint effort rather than a one-way transfer. This type of relationship is not a defining feature of homogenisation. As outlined in chapter 2, from the perspectives of some critical education theories, the LDSs do not have sufficient control to prevent homogenisation. In the context of the Indonesia-US education relationship, however, Indonesia does have the ability to preserve its cultural integrity, and formulate regulatory policies inside its territory. Language and religion are compulsory in the education curriculum and foreign students are required to learn and understand the Indonesian language. Although English is introduced in the curriculum as a way to prepare individuals for active roles in global competition, local stories are also included in the teaching of English

language, as they are regarded as necessary vehicles for preserving Indonesian cultural values. There is not sufficient evidence from the interviews with both Indonesian and American respondents to support the statement that the US deliberately transfers American values through the Indonesia-US education relationship. The adoption of American literature and the American credit hour system does not equate to the homogenisation of the curriculum, because Indonesia retains sufficient control over its education curriculum through mode 3 and mode 4, as these modes take place in Indonesian territory. What is more, Indonesian cultural values and identity are maintained in the education curriculum by making *bahasa* Indonesia, religion, and Pancasila compulsory subjects.

In summary, there are three important findings in relation to the theme of homogenisation. First, the Indonesia-US education relationship is a joint effort, and is not perceived as representing a one-way trade in ideas or knowledge. Second, Indonesia has the ability to preserve its cultural integrity. Third, Indonesia has the authority (regulation making), control (enforcement of the regulations), and autonomy (independent decision making), over national education laws and over the mobility of students and education staff, educational materials and programmes, and educational institutions within its territory. Clearly, the defining features of educational sovereignty, as outlined in Table 4 (see chapter 2), are present.

Hypotheses 8: Through the exercise of educational sovereignty, the Indonesian government retains sufficient control over its national education curriculum, such that it is not subject to homogenisation

In spite of its active participation in transnational education, Indonesia maintains Pancasila, the Constitution 1945 (UUD 1945), and religion as the foundation of its education and as a means to prevent the loss of Indonesian identity and cultural values. Even though the Indonesian National Education

Law of 2003 authorises transnational education within Indonesian territory, foreign education institutions need to follow the Indonesian curriculum in Indonesia, and may not interfere with Indonesian national education because it is under the authority of Directorate General of Higher Education. In spite of the flow of education across borders, *bahasa* Indonesia is the language of instruction, and religion is compulsory in the Indonesian education curriculum (see chapter 9).

Culture is the central issue in the discussion surrounding transnational education. From the interviews, the comments of Indonesian respondents clearly show that they were willing to adopt the American education system and some American cultural values, such as the need to be punctual. The respondents were aware of the risks in all their exchanges with the Americans, and they felt they were certainly in control. The Indonesian government also has established and developed a character-based curriculum for maintaining cultural values through education. In this context, although Indonesians have adopted the American education system and some useful aspects of American cultural values, the Indonesian government still has the ability to retain and disseminate Indonesian cultural values through education.

Despite the penetration of American culture through education transactions between Indonesia and the US, Indonesian identity and culture have survived and are preserved through the national education curriculum (see chapter 3, chapter 4, and chapter 9). Indonesian respondents confirmed that Indonesia retains control over its national educational curriculum, and that education generally is not subject to homogenisation.

By using and safeguarding its authority over education within its territorial borders Indonesia has made agreements with other sovereign states, such as the US. Thus, Indonesia is able to preserve its cultural autonomy, and formulate regulatory policies inside its territory. Indonesian authority is evident in the way foreign students are required to learn and understand the

Indonesian language. Bahasa Indonesia and religion are compulsory in the education curriculum, and although English is introduced in the curriculum as a way to prepare individuals to be ready to play active roles in global competition, local stories are also included as part of the English language curriculum thereby ensuring knowledge and preservation of Indonesian cultural values. For the above reasons, hypothesis 8, that through the exercise of educational sovereignty, the Indonesian government retains sufficient control over its national education curriculum so that it is not subject to homogenisation, is supported by this research.

Hypothesis 9: The creation of hybrid education programmes diminishes Indonesia's educational sovereignty

As noted above, the hybridisation of the religious values of Hinduism, Islam, and Buddhism with indigenous values has been maintained in Indonesia by handing down local wisdom and values through local folktales, from generation to generation, particularly through formal education. Sets of religious values are also handed down from generation to generation through formal education. At post-secondary education level, religious study is compulsory.

While Indonesian national identity has been preserved through the education curriculum, American education and literature have influenced the Indonesian education curriculum at the post-secondary level. There was appreciation by the Indonesian respondents of American higher education and American cultural values. For most Indonesian respondents, American higher education is highly prestigious. Education transactions with the US, as indicated by most Indonesian respondents, are necessary for enhancing the quality and reputation of Indonesian higher education, without losing national identity and cultural values. Most Indonesian respondents also expressed a

willingness to adopt American cultural values, and reconcile both Indonesian and American cultures.

Yet, the issue of the inclusion of cultural values for some remains crucial; the preservation of Indonesia's cultural identity is the foremost concern for Indonesian respondents. This concern reflects the validity of the critical educationalists arguments. Accordingly, as it is mainly Indonesian respondents who prefer to adopt American cultural values and education, it is to be expected that the maintenance of cultural values is a matter of some concern for Indonesian negotiators. Therefore, the government of Indonesia has attempted from time to time to preserve cultural values through the education curriculum. In addressing the threat of foreign influences on Indonesian cultural values, the government is now actively promoting a character-based curriculum, aimed at strengthening Indonesian cultural values.

Despite the penetration of American culture through education transactions between Indonesia and the US, Indonesian identity and culture have survived and are preserved through the national education curriculum. From the research data gathered for this study, it is clear there is no indication of American cultural imposition, with most Indonesian respondents claiming they willingly adopt certain aspects of American culture because they consider it beneficial or advantageous to their own national interests to do so. Accordingly, the idea of cultural imperialism is not supported. Neither were there any indications of cultural dependence arising from the Indonesia-US education relationship, as Indonesian respondents have clearly asserted that Indonesia has its own identity. For these reasons, the argument that the creation of hybrid education programmes diminishes Indonesia's educational sovereignty is not confirmed.

In summary, there are three important findings surrounding hybridisation. First, the hybridisation of religious and indigenous values is maintained in Indonesia through formal education. At post-secondary

education level, religious study is compulsory. Second, most Indonesian respondents also claimed a willingness to adopt American cultural values, and reconcile both Indonesian and American cultures. Third, the government of Indonesia has attempted from time to time to preserve cultural values, through the education curriculum. Suffice to say that the defining feature of educational sovereignty, the ability to maintain local cultural values through education, is present.

Hypothesis 10: The creation of hybrid education programmes does not diminish the Indonesian government's ability to maintain Indonesian culture and values

Transnational education, though one of the driving forces behind hybridisation, does not necessarily diminish Indonesia's educational sovereignty. The Indonesian authorities retain their ability to exercise influence over national education. Whether or not hybridisation of education and culture diminishes education sovereignty depends on the state. The state enacts regulations and is responsible for enforcing national education law, regulating education within its borders, prioritising development needs through education, and pursuing particular, chosen learning experiences from the West, while maintaining national identity. The government of Indonesia, as mentioned above, has regulated and enforced national education law, has sufficient control over education modes of delivery within Indonesia's territory, and yet has chosen to adopt some aspects of American cultural values and higher education. For the reasons cited above, hypothesis 10, the creation of hybrid education programmes does not diminish the Indonesian government's ability to maintain its culture and values, is confirmed.

Identity and language are constantly changing and this is also the case for Indonesia. In this context, the notion that identity and culture are fixed, as implied by some critical education theorists, can be dismissed. An interesting

point that the critical educationalists make is that culture, and the capacity to remain in control of it, is a central issue. In the context of the Indonesia-US education relationship, the loss of Indonesian culture is one of the highest concerns for Indonesian respondents and thus the maintenance of culture is one of the highest priorities in the negotiations.

10.4 Significance of the study

This study has endeavoured to clarify the defining features of educational sovereignty. Thus, this study has made both theoretical and empirical contributions to the study of transnational education. At the theoretical level, this study offers a framework analysis for assessing whether educational sovereignty has diminished and, if so, the extent to which this loss has occurred. Empirically, this study has provided an understanding of the complexity of the relationship between the less developed and developed states, by using the Indonesia-US education relationship as a case study. Most Indonesian respondents stated that the education relationship with the US was mutually beneficial. The perception that American education is better and highly prestigious is an apparent and strong reason why the Indonesian respondents value the relationship in education with the US. Yet, Indonesian respondents also wanted to be treated as equal partners in this relationship, and, in order to achieve this end, they carefully asserted their equitable position.

10.5 Issues arising in the research, and future research avenues

There are three significant aspects arising from this research. The first relates to 'partnership' terminology. Respondents used the term partnership repeatedly. Similarly, relevant documents such as Memoranda of Understanding (MoUs) and media also use the term. Although the normative and non-normative context of partnership were not within the scope of this

thesis, valuable research domain remains investigating the extent to which Indonesia perceives its relationship with the US as an instrumental partnership.

The second aspect relates to the limitations of qualitative research. Here it is necessary to note that this thesis does not deal with some inconsistencies between Indonesian education laws regulating foreign education presence, and the practice. Profit making universities such as Limkokwing University for Creative Technology (Chinese education provider) and Gandhi Institute of Business and Technology (Indian education provider), for instance, are already operating in Indonesia, and Indonesia will open its borders to foreign universities from across ASEAN in the next few years. This thesis does not deal with the numbers of foreign education providers in Indonesia, as the study is not quantitative. Research into inconsistencies between national education regulations and practice, and their implication for educational sovereignty, is also a valuable research domain.

The third aspect relates to the significance of the strategic culture and cooperation shaping political objectives. This research finds that the cooperation in education between Indonesia and the US is shaped by culturally determined patterns of perception and interaction. The extent, to which the relationship is used as a strategic culture by both parties, is also a valuable research domain.

10.6 Reflecting on method

The empirical limitations of the evidence of this case study should be acknowledged. Although hypotheses were explored and examined, the research questions: what is the nature of the educational relationship between the US and Indonesia?; is Indonesia free to endorse any contract its government finds attractive or is it coerced into accepting any agreement?; and, does Indonesia still have the authority to regulate its educational curriculum?

cannot be answered conclusively because the researcher had the views of a total of 22 respondents only, with additional official and related documents.

The contribution of this single case study lies in its intense focus on the case, achieved through analysing underlying perceptions and values of respondents, documenting the life experience of the respondents, and analysing the link between these experiences and established theories (as outlined in chapter 2). This study acknowledges the perennial debates in the literature on the use of single case study. Using the case study approach, particularly a single case study, has distinctive disadvantages as its findings are less generalisable because it is context-specific. Nonetheless, it is important to take into account that the interviews conducted in this single case study bring insights that simply cannot be gained by other methods. It is important to note that it is essential to treat the Indonesia-US education relationship not for the purpose of generalisation, but rather for the ways in which it illustrates processes in the negotiations, perceptions, objections, and also provides insight into how the communication between participants functions in the Indonesian-US education relationship. It is also essential to note that the case study employed in this thesis is exploratory.

10.7 Final remarks

There are three main findings of interest to emerge from the research. First, the Indonesian respondents were aware of the risks in all their exchanges with the Americans, but they felt they were certainly in control of negotiations. The findings from the interviews show the assuredness and confidence of the Indonesians, on the one hand, and the supportive responses from the Americans on the other. In other words, the relationship between the US and Indonesia is a joint initiative rather than a one-way process. It is important to note that, as the relationship does not try to bring overt political pressure to bear on any of the parties involved in the education transactions,

and the main objective of the relationship is to enhance understanding between Indonesia and the US, the fundamental aims of the relationship are achieved. In the broader context of international relations, transnational education has the potential to enhance understanding between LDCs and developed states. Second, the Indonesian respondents show the willingness and interest to embrace some aspects of American education, such as American literature, and to adopt some American cultural values. Here, hybridisation of cultural values and hybridisation of education are preferred by the Indonesian respondents. In the broader context of international relations, transnational education does not necessarily result in homogenisation of culture and education. Third, the Indonesian respondents are clear in their position on equality. The findings from the interviews show the confidence of the Indonesians that they are equal on the one hand and the supportive responses from the Americans on the other hand.

The analysis provided in this thesis demonstrates that the defining features of educational sovereignty are present in the Indonesia-US education relationship. The first defining feature is that the government of Indonesia has the control over (the ability to enforce) national education laws. The Indonesian government, for instance, has been active in limiting its dependence on foreign countries, whether that reliance was on knowledge, education professionals, or on finance, through its national education laws.

The second defining feature of educational sovereignty is present in that both American and Indonesian parties work together toward their shared goals, in spite of America making a greater financial contribution than Indonesia. The US does place conditions on its assistance in education, based on the purpose of the US-Indonesia Comprehensive Partnership, which is a long-term commitment to foster Indonesia-US bilateral relations. There was no evidence of any attachment of political conditions to the assistance. USAID endeavours to work collaboratively and build the capacity of local institutions,

and it recognises the authority of Indonesia to control its national education system and so does not seek to intervene in Indonesia's national education programme which is under the authority of DIKTI. USAID also formulates and implements its policies in line with both the US mission strategy to Indonesia and the education strategy set down in Washington, and with the Indonesian national education strategy. USAID also recognises the leadership role Indonesia plays in its own development and that Indonesia has autonomy over its education. In this context, the determinant of educational sovereignty - recognition of independent entities by other states - is clearly demonstrated.

Third, the government of Indonesia retains authority and control over the mobility of students and staff, educational materials and programmes, and educational institutions. The Indonesian government restricts transnational education modes by committing only to those modes which benefit Indonesia.

Fourth, most Indonesian respondents stated that they are equal in the relationship, and that the relationship is based on mutually agreed objectives. Equality, according to most Indonesian respondents, is necessary in order to be able to choose and to refuse any American involvement in education. Here, the defining feature of educational sovereignty - the ability to refuse foreign intervention in education - is present.

Fifth, the defining feature of educational sovereignty - the ability to maintain local cultural values through education - is present. The government of Indonesia has attempted from time to time to preserve cultural values through the education curriculum. The hybridisation of religious and indigenous values has also been maintained in Indonesia through formal education. At post-secondary education level, religious study remains compulsory. Most Indonesian respondents also claimed a willingness to adopt American cultural values, and reconcile both Indonesian and American cultures.

This thesis has increased understanding of the complexity of educational sovereignty. The Indonesia-US education relationship case study demonstrates that the perception of the Indonesian respondents of being equal in the relationship is important in ensuring that sovereignty in education is retained by Indonesia. What is more, the Indonesia-US education relationship case demonstrates that this relationship is free from political pressure. Nonetheless, sustaining educational sovereignty depends on the ability of the state to negotiate and renegotiate within the bilateral relationship. The Indonesian government manages its educational relationship with the US successfully because it frames regulations and is responsible for enforcing national education law, regulating education within its borders, achieving development goals through education, and pursuing particular learning experiences from the US, while also maintaining its own unique identity and cultural values.

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APPENDICES

Appendix A. Map of Indonesia



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Appendix B. Information Package

Anita Abbott
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Political Science & Policy
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Private Bag 3105, Hamilton
New Zealand
Email: ata3@waikato.ac.nz



THE UNIVERSITY OF
WAIKATO
Te Whare Wānanga o Waikato

Interview for a PhD study at the University of Waikato

Interview Topic: Educational Exchanges Between Indonesia and the
United States

Student: Anita Abbott

Supervisors: Dr. Alan Simpson and Dr. Patrick Barrett

CONSENT FORM

Description of Project: This research aims to develop an understanding of transnational education and its implications for educational sovereignty in Indonesia.

1. I agree to participate in an interview as specified in the introductory letter.	Yes	No
2. I have been given the opportunity to ask any questions relating to my participation in the interview.	Yes	No
3. I agree to this interview being audio-recorded.	Yes	No
4. I understand that I can withdraw from this research project up to three weeks after the interview has taken place and that if I do so, the interviewer will delete the recorded interview and destroy the interview transcript.	Yes	No
5. I agree that the interview may be used in the thesis.	Yes	No
6. I wish to remain anonymous.	Yes	No
7. I wish to keep the name of the organisation I am part of anonymous.	Yes	No

“I consent to be interviewed for this research on the above conditions”

Signed:

Interviewee _____ Date: _____

“I agree to abide by the above conditions”

Signed:

Interviewer _____ Date: _____

Appendix C. Information sheet content and consent form

FACULTY OF ARTS AND SOCIAL SCIENCES

THE UNIVERSITY OF WAIKATO

Information Sheet Content and Consent Form

RESEARCHER: Anita Abbott

DEPARTMENT: Department of Political Science and Public Policy

CONTACT NUMBER: [REDACTED]

EMAIL ADDRESS: ata3@waikato.ac.nz

TOPIC OF RESEARCH:

**Transnational education and sustaining educational sovereignty:
Indonesia-US education relationship case study**

Thank you for your interests and willingness to participate in my research project. In this project, I will be interviewing you for 30-40 minutes. I will take notes and use a tape recorder for transcription. Please note that your confidentiality and anonymity are assured. Your name will not be used or mentioned in the research findings.

The information will be saved in a secure file for two years (from the end of the PhD study). After two years, the information will be destroyed.

The major outcomes of the research finding will be published as a monograph. If you require access to the publication, you may need to contact me at the above address or contact phone number.

You are entitled to ask further questions about the research that occurs to you during your participation. Should you be dissatisfied with the answers, you are entitled to withdraw from the interview.

Please note that this research project has been approved by the Human Research Ethics Committee of the Faculty of Arts and Social Sciences. Any questions about the ethical conduct of this research may be sent to the Secretary of the Committee, email fass-ethics@waikato.ac.nz, postal address, Faculty of Arts and Social Sciences, Te Kura Kete Aronui, University of Waikato, Te Whare Wananga o Waikato, Private Bag 3105, Hamilton 3240.

“I wish to receive a copy of the findings” YES NO (Please circle your choice)

Participant:

Signature: _____

Date:

Researcher:

Signature: _____

Date:

Chief Supervisor:

Signature: _____

Date: _____

Co-supervisor:

Signature: _____

Date:

Appendix D. Interview questions guide

Perspectives on and experience of agreements in education transactions between Indonesia and the US

Question 1:

Tell me about your experience of education exchanges between the US and Indonesia!

Question 2:

What are the guiding principles in developing education exchanges between Indonesia and the United States?

Question 3:

What do you think should be the guiding principles in developing these exchanges?

Question 4:

In your experience, what does Indonesia gain from these exchanges?

Question 5:

In your experience, what is detrimental about American education for Indonesia?

Question 6:

In your experience, has American education (and curriculum) been widely adopted by Indonesian education institutions?

Question 7:

In your experience, what is the evidence that Indonesia has entered into agreements with American education institutions which Indonesia has found either beneficial or disadvantageous?

Question 8:

Is there anything else you might want to tell me with regard to your perspectives on and experience of agreements between Indonesia and the US?

Perspectives on financial assistance from the United States of America for Indonesian education

Question 1:

Tell me about your experience of education exchanges between the US and Indonesia!

Question 2: What are the guiding principles in developing/managing financial assistance for education, from America?

Question 3:

In your experience, is American financial assistance for Indonesian education essential for Indonesia's development efforts? Why? How?

Question 4:

In your experience, does accepting American financial assistance for Indonesian education alter Indonesia's ability to regulate national education? Why? How?

Question 5:

In your experience, what are the detrimental effects of accepting financial assistance in education from the US, for Indonesia?

Question 6:

Is there anything else you might want to tell me with regard to your perspectives on and experience of administering or managing financial assistance from the US for Indonesia's education?

Perspectives on, and experience of, education curriculum

Question 1:

Tell me about your experience of Indonesian education higher education curriculum, and education exchanges between the US and Indonesia!

Question 2:

What are the guiding principles in developing Indonesia's higher education curriculum, and in developing education exchanges between Indonesia and the United States?

Question 3:

What should be the guiding principles in developing education curriculum?

Question 4:

In your experience, to what extent does American education impinge on Indonesian culture and values? Why? How?

Question 5:

In your experience, to what extent does Indonesia retain its ability to regulate its national education curriculum? Can you give me some examples of how Indonesia has retained its ability to regulate its national education curriculum?

Question 6:

Is there anything else you might want to tell me with regard to your perspectives on and experience of developing Indonesia's higher education curriculum, and developing education relationship between Indonesia and the US?

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND
THE GOVERNMENT OF THE REPUBLIC OF INDONESIA
CONCERNING
THE PROGRAM OF THE PEACE CORPS IN INDONESIA

The Government of the United States of America (hereinafter referred to as "the United States") and the Government of the Republic of Indonesia (hereinafter referred to as "Indonesia") (hereinafter collectively referred to as the "Parties");

Acknowledging that the two countries share fundamental ideals of freedom, democracy, and a pluralistic as well as tolerant society;

Recognizing the importance of developing mutually advantageous relationship and cooperation between their countries generally and through the spirit of the Joint Declaration on Comprehensive Partnership between Indonesia and the United States (hereinafter referred to as the "Comprehensive Partnership"), and the range of exchange programs that may be available under such framework;

Desiring to enhance mutual understanding between the two countries through people-to-people contact on the basis of equality, mutual respect and mutual benefit, in light of the Peace Corps' statutory purpose, which is to send American volunteers to help the people of interested countries in meeting their need for trained men and women; and thereby to help promote a better understanding of Americans on the part of the peoples served; and to help promote a better understanding of other peoples on the part of Americans; and

Pursuant to the prevailing laws and regulations of the respective Parties, have agreed as follows:

ARTICLE I
OBJECTIVE

The objective of this Memorandum of Understanding "MoU" is to establish the legal framework for Peace Corps technical cooperation programs and activities in Indonesia, in order to promote mutual understanding and empower Indonesian communities.

ARTICLE II DEFINITIONS

For the purposes of this MoU:

1. Peace Corps means the United States government agency authorized to carry out the purposes set forth in the Preamble of this MoU.
2. Peace Corps Representative and staff means the United States government employees who are issued official passports, residing in Indonesia, with overall responsibility for the Peace Corps technical cooperation programs and activities in Indonesia.
3. Peace Corps Volunteers (hereinafter referred to as the "Volunteers") means United States citizens recruited, selected, trained, and assigned by the Peace Corps to implement Peace Corps technical cooperation programs and activities in Indonesia.
4. Contractor means a person hired on a periodic basis by Peace Corps to perform services for the Peace Corps technical cooperation programs and activities in Indonesia. Contractors other than U.S. and Indonesian citizens shall require prior approval from Indonesia.
5. Family Members shall be as defined in accordance with relevant Indonesian laws and regulations.

ARTICLE III RESPONSIBILITIES OF THE PARTIES

1. The United States shall furnish such Peace Corps Volunteers as may be required by Indonesia and approved by the United States to perform mutually agreed tasks in Indonesia.
2. The United States shall provide training to enable the Volunteers to perform their tasks in the most effective manner.
3. The United States shall provide the Volunteers, the Peace Corps Representative, and staff of the Representative with such limited quantities of equipment and supplies as the Parties may consider necessary to enable the Volunteers to perform their tasks effectively.
4. The United States intends to take steps through the Comprehensive Partnership to assist Indonesians to get further training and experience in the United States in line with efforts to strengthen educational initiatives, people to people contact and cultural exchanges.
5. Indonesia shall bear such share of the costs of the Peace Corps technical cooperation programs and activities incurred in Indonesia as the Parties may agree in writing in the

implementing arrangements of programs, prior to the commencement of such programs.

6. Tax and customs duties exemption for the Peace Corps Representative and staff employed in Indonesia under this MoU shall be granted in accordance with the prevailing tax and customs laws, regulations, and policies of the Republic of Indonesia. With respect to Volunteers and U.S. contractors, income paid to them by the United States in respect of services rendered to the United States under this MoU shall be exempted from taxation by Indonesia in accordance with the Convention Between the Government of the Republic of Indonesia and the Government of the United States of America for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed at Jakarta July 11, 1988, and its amending Protocol, signed at Jakarta July 24, 1996.
7. Indonesia shall extend to the Peace Corps Representative, staff, volunteers as well as U.S. and third country contractors engaged with Peace Corps technical cooperation programs and activities under this MoU, and their family members, appropriate visa, exit re-entry permit, and stay permits to cover their terms of service in accordance with the prevailing laws and regulations, as well as procedures and policy of the Republic of Indonesia.
8. Indonesia shall accord equitable treatment to the Volunteers and U.S. contractors with the Peace Corps and their family members and property which shall be no less favorable than that accorded generally to nationals of the United States residing in Indonesia and shall inform and cooperate with representatives of the United States with respect to all matters concerning them consistent with the Vienna Convention on Consular Relations, done at Vienna April 24, 1963.

ARTICLE IV USE OF FUNDS

Peace Corps, a United States government agency, shall use its funds solely for the purpose of implementing its technical cooperation programs and activities in Indonesia consistent with the laws and regulations of the Republic of Indonesia.

ARTICLE V IMPLEMENTATION AND SUPERVISION

1. The Parties agree to establish a joint steering committee consisting of representatives of appropriate government institutions, to define the policy guidelines, to endorse and to supervise the Peace Corps technical cooperation programs and activities in Indonesia.

2. The joint steering committee shall establish working groups to assist the steering committee in supervising and reviewing the implementation of the Peace Corps technical cooperation programs and activities in Indonesia.
3. The joint steering committee shall meet at least once a year.
4. The Volunteers shall work under the supervision of government institutions in Indonesia designated by the Parties.

ARTICLE VI MECHANISM FOR COOPERATION

1. Details on programs and activities of Peace Corps in Indonesia shall be defined in an Implementing Arrangement to be agreed by the Parties, which shall be subject to and be in conformity with the MoU.
2. Such Implementing Arrangement should specify, inter alia, the objective, program of cooperation, the function of working group, financial arrangement and other details relating to specific undertaking of all participants involved.
3. The undertakings of each party herein shall be subject to the availability of funds.

ARTICLE VII CODE OF CONDUCT

1. All persons engaged in activities under this MoU shall respect the laws, regulations, policies, customs, traditions, and religions of Indonesia, and shall avoid any activities inconsistent with the objective of this MoU.
2. Any violation of paragraph 1 of this Article may result in the revocation of all permits of the concerned person and other measures in accordance with the prevailing laws and regulations of Indonesia.

ARTICLE VIII SETTLEMENT OF DISPUTES

Any dispute arising out of this MoU shall be settled amicably through consultation and/or negotiations between the Parties.

**ARTICLE IX
AMENDMENT**

This MoU may be amended from time to time by mutual written consent of the Parties. Any such amendment shall be in writing, and shall enter into force on such date as may be determined by the Parties. Such amendments shall be treated as an integral part of this MoU.

**ARTICLE X
ENTRY INTO FORCE, DURATION, AND TERMINATION**

1. This MoU creates a legally binding obligation upon the Parties under international law and shall enter into force on the date of signature and remain in force for a period of 3 (three) years, and shall automatically renew for successive periods of 3 (three) years, unless terminated by either Party upon written notification to the other 90 (ninety) days in advance.
2. The termination of this MoU shall not affect the validity, duration, and completion of any ongoing projects and activities made under this MoU, unless the Parties decide otherwise.
3. Upon the entry into force of this MoU, the Agreement Relating to the Establishment of Peace Corps Program in Indonesia, entered into force on March 14, 1963, by Exchange of Notes between the Government of Indonesia and the Government of the United States of America, shall cease to be in force.

IN WITNESS WHEREOF, the undersigned being duly authorized thereto by their respective Governments, have signed this MoU:

DONE at *Jakarta* on *December 11, 2009*, in duplicate, in the English and Indonesian languages, each text being equally authentic.

**FOR THE GOVERNMENT OF THE
UNITED STATES OF AMERICA:**



**FOR THE GOVERNMENT OF THE
REPUBLIC OF INDONESIA:**



MEMORANDUM OF UNDERSTANDING
BETWEEN
CENDERAWASIH UNIVERSITY (UNCEN)
AND
INDO-PACIFIC CONSERVATION ALLIANCE (IPCA)

Cenderawasih University (hereinafter UNCEN) and the Indo-Pacific Conservation Alliance (hereinafter IPCA) extend to one another mutual respect and recognize their shared commitment to the study and conservation of the native ecosystems of Irian Jaya / Papua (hereinafter Irian Jaya) and support for traditional peoples in their stewardship of these globally significant natural resources.

IPCA's approach is to empower local community organizations in the Indo-Pacific region to sustainably manage their natural resources, by providing tools, training and environmental education; generate and mobilize scientific and economic data in order to provide baseline knowledge critical to carrying out sound conservation strategies; and to activate this information to facilitate improved land management and the conservation of Irian Jaya's biodiversity and to enhance the policy context in which decisions affecting development and conservation are made.

UNCEN and IPCA (hereinafter called The Parties) express their mutual intent to establish a non-exclusive joint relationship in order to promote and conduct scientific research and community-level environmental education to document and support the conservation of Irian Jaya's unique biodiversity, for which purposes the Parties agree to the following:

Article 1

To promote and conduct cooperation between the Parties and in areas of mutual interest, to include the fields of:

- a) Training in biodiversity surveys, biological monitoring, economic valuation studies, anthropological and ethnobotanical studies in support of adat-based conservation, and use of data gathered in these studies to support conservation and sustainable development objectives;
- b) Collaboration to conduct joint research and consultations;
- c) Participation in field expeditions to areas of mutual interest in Irian Jaya;
- d) Collaboration in carrying out community-level educational activities to enhance appreciation of the importance of the sustainable use of natural resources in Irian Jaya;

- e) Building institutional infrastructure (viz., zoological and botanical collections facilities) to facilitate biological training and research in Irian Jaya;
- f) Other scholarly and educational activities as may be agreed upon at any time.

Article 2

Zoological specimens and botanical vouchers collected as part of joint research surveys, training, and monitoring activities will be shared among participating institutions as per standard international agreement. Lembaga Ilmu Pengetahuan Indonesia (LIPI) will house all type specimens and holotypes in its facilities in Cibinong and Bogor, Java. UNCEN will receive a full set of paratypes and other vouchers and specimens. Universitas Negeri Papua (UNIPA) in Manokwari will also receive a full set of specimens and vouchers. Specimens and vouchers may need to be sent to institutions in the United States, Europe, or Australia for identification prior to return to Indonesia. Full sets of specimens or vouchers will also be housed in foreign museums and institutions as per standard international agreement.

UNCEN agrees to help facilitate export permits for zoological specimens and botanical vouchers collected on joint research, training, and monitoring activities, by issuing documentation and support letters needed for this purpose.

Article 3

The Parties agree to cooperate in good faith to seek a beneficial transfer of knowledge, skills, and information in all activities covered under this Agreement. IPCA's activities carried out under this Memorandum of Understanding will seek to maximize the benefit to UNCEN's faculty and students in the areas of training, knowledge transfer, and repatriation of data.

IPCA will strive to ensure that information gathered from zoological and botanical specimens collected under this Agreement, but identified and/or stored in third-party institutions or museums, will be repatriated to UNCEN. UNCEN acknowledges that while IPCA will seek in good faith to facilitate this data repatriation, third-party institutions are ultimately responsible for transferring this information, as well as zoological specimens and botanical vouchers.

Article 4

The Parties will cooperate in efforts to obtain, from external funding sources, financial resources to help facilitate the objectives of the Memorandum. IPCA agrees to take the lead role in identifying and seeking external funding for the above activities for the mutual benefit of both Parties. UNCEN agrees to support this endeavor by writing letters of invitation and letters of support. UNCEN agrees to sponsor IPCA personnel and contractors, on a case-by-case basis subject to approval by the Rector, in order to secure visas and permission for activities covered under this Agreement.

Article 5

This Memorandum of Understanding is non-exclusive in nature, and both Parties may enter into similar agreements with other institutions.

This Memorandum of Understanding will be subject to the laws of the Republic of Indonesia and the United States of America.

This Memorandum of Understanding, signed on the 19th of March 2001, indicates our commitment to long-term collaboration, and will continue until any or all institutions wish to terminate the collaboration. This Memorandum of Understanding will come into force upon signing, and shall remain in force until terminated by either one of the Parties, with six months notice in writing to the other Party of intent to terminate. The termination of this Understanding shall have no effect upon the validity or duration of activities that have already been initiated under this Memorandum of Understanding prior to the date the termination notice is sent.

For Genderawasih University

For Indo-Pacific Conservation Alliance





Frans Wespakrik
Rector
Genderawasih University



for Dr. Allen Allison
Chairman
Indo-Pacific Conservation Alliance

MEMORANDUM OF AGREEMENT

between

**CENTER FOR FOOD AND NUTRITION STUDY
INSTITUT PERTANIAN BOGOR
BOGOR, INDONESIA**

and

**THE COLLEGE OF FOOD, AGRICULTURAL & ENVIRONMENTAL SCIENCES
THE OHIO STATE UNIVERSITY
COLUMBUS, OHIO**

WHEREAS, both the Center for Food and Nutrition Studies of the Institut Pertanian Bogor [CFNS-IPB] in Indonesia and the College of Food, Agricultural, and Environmental Sciences of The Ohio State University [CFAES-OSU] in the United States, wish to broaden their teaching and research programs through promoting interaction of their faculty, staff and students with those of institutions of excellence in other countries.

WHEREAS, the CFAES wishes to establish a program of interchange with premiere institutions that have faculty members who have graduated from CFAES-OSU ; and

WHEREAS, CFNS-IPB wishes to expand programs of interchange with institutions that have strong agricultural programs in the United States;

NOW THEREFORE, the CFNS-IPB and CFAES-OSU agree to enter into this Memorandum of Agreement to facilitate programs of interchange between faculty, staff and students of their respective institutions.

ARTICLE I: PRINCIPAL COLLABORATIVE ACTIVITIES:

Joint programming will focus on institutional development efforts on the part of both parties. Principal activities will include:

- * Identification and development of collaborative research programs;
- * Identification and conduct of collaborative teaching programs;
- * Exchange of undergraduate and graduate students;
- * Exchange of teaching and research faculty; and
- * Exchange of research publications, didactic materials and other bibliographic references.

ARTICLE II: FUNDING:

Both parties agree, jointly and separately, to seek funding from third parties to support program activities. Neither CFNS-IPB nor CFAES-OSU, however, is committed to providing its own resources in support of program activities. However, either party may decide to do so for specific program activities that are defined under this Agreement, including development of proposals that further joint collaborative efforts.

ARTICLE III: DURATION:

This Agreement shall remain in effect for a period of five years, with the option to renew it for another five years, subject to the approval of both parties.

ARTICLE IV: TERMINATION:

Either party may terminate this Agreement prior to the end of the five year duration period by one party informing the other of its intent to terminate the Agreement at least 30 days prior to the proposed termination date. The Agreement will automatically terminate in the event that it is not renewed by the parties after five years.

ARTICLE V: COORDINATION:

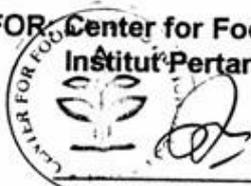
The Agreement will be coordinated by the following individuals at each institution:

CFAES: David O. Hansen, Director, International Programs in Agriculture
[and/or designee]

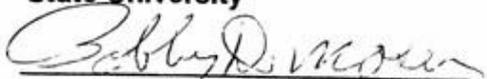
CFNS-IPB: Prof. Dr. HRM. Aman Wirakartakusumah, Director [and/or designee].

In the event that either individual should retire or otherwise leave his administrative post, that person's successor will be designated as the coordinator for the Agreement.

FOR: Center for Food & Nutrition Studies **FOR: College of Food, Agricultural and Environmental Sciences, The Ohio State University**



Prof. HRM. Aman Wirakartakusumah,
Director
Date: 21 5 1999


Dr. Bobby D. Moser, Vice President
Agricultural Administration and Dean
Date: 11/21/99

Memorandum of Agreement

This Memorandum of Agreement is between The Ohio State University on behalf of its College of Education and Human Ecology, located in Columbus, Ohio, USA, and The State University of Padang, located in Padang, West Sumatra, Indonesia. This Agreement is governed by the laws of the State of Ohio.

Program Description and Program Participants:

The Ohio State University, College of Education and Human Ecology, agrees to provide a Teacher Quality and School Leadership graduate non-degree sandwich program for The State University of Padang master's degree students. The program and services will include a customized graduate non-degree program and student health insurance for 15 students. Refer to attached Program Description, dated April 27, 2008, for a comprehensive overview of the program (See EXHIBIT A).

Program Sponsor:

This program is sponsored by the: (1) Directorate General of Quality Improvement of Teachers and Educational Personnel, and (2) Bureau of Planning and International Cooperation, Republic of Indonesia. These two units will provide a block grant to each of the program participants for the program fee, health insurance, book allowance, and living allowance. Refer to the attached June 11, 2008 Financial Statement Letter from the Ministry of National Education of Indonesia (See EXHIBIT B). The State University of Padang will coordinate and aggregate funds from each of the block grants as required to meet the needs of this program.

Payment for Services:

The State University of Padang (on behalf of all students) agrees to pay The Ohio State University a sum of \$118,950 for the program and services to be provided under the direction of Dr. Sue Dechow and its staff.

Payment of \$118,950 shall be wire transferred to The Ohio State University no later than August 11, 2008. Refer to attached Wire Transfer Information (See EXHIBIT C).

Note 1: All students will receive allowances for living and books while the students attend this sandwich program. These funds will be paid directly to the students by the program sponsors, not to The Ohio State University.

Note 2: The Ohio State University will pre-arrange housing accommodations for students prior to their arrival. This housing will be located in privately owned buildings as near the campus as possible and as near city and university bus lines as possible. Because The Ohio State University is reserving housing units not owned by the university, it is important The State University of Padang notify The Ohio State University of any change (increase or decrease) in the number of students that will be attending the sandwich program.

Note 3: All students will be responsible for paying their rent directly to the building owner (not to The Ohio State University).

Note 4: Housing accommodations for the students will be arranged for the period September 1, 2008 through December 31, 2008. It is not possible to arrange partial months of housing around the university campus. Therefore, students will be responsible for paying four months rent (not, for example, three months and fifteen days)

Program Period:

If possible, students should plan to arrive at the Port Columbus International Airport on September 1, 2008. A chartered bus will pick up students at the airport and deliver them to their housing unit on their day of arrival. Program orientation will begin on the day following their arrival.

The sandwich program will end on December 15, 2008. Students can arrange travel home anytime after December 15, 2008.

Termination:

Either party may terminate this Agreement by giving 45 days written notice to the other party. In the event this Agreement is terminated by The State University of Padang, The Ohio State University will be entitled to reimbursement of expenses associated with delivery of the program which were incurred prior to receipt of the notice of termination.

IN WITNESS WHEREOF, the parties have duly executed this agreement as of the dates set forth below.

The Ohio State University

The State University of Padang


Dr. Rebecca Kantor Date
Director
College of Education and Human Ecology

Prof. Dr. Mawardi Effendi Date
Rector


Dr. Cheryl Achterberg Date
Dean
College of Education and Human Ecology

Prof. Dr. Mukhaiyar Date
Director, Graduate School

William J. Shkurti Date 
Senior Vice President for Business and Finance

The State University of Padang



Mawardi

Prof. Dr. Mawardi Effendi
Rector

8/15/08
Date



Musaiyar

Prof. Dr. Musaiyar
Director, Graduate School

8/15/08
Date

EXHIBIT A

OHIO STATE UNIVERSITY COLLEGE OF EDUCATION AND HUMAN ECOLOGY

TEACHER QUALITY AND SCHOOL LEADERSHIP SANDWICH PROGRAM FOR STATE UNIVERSITY OF PADANG (UNP) MASTER'S DEGREE STUDENTS

SPONSORED BY DIRECTORATE GENERAL OF QUALITY IMPROVEMENT OF TEACHERS AND EDUCATIONAL PERSONNEL AND BUREAU OF PLANNING AND INTERNATIONAL COOPERATION REPUBLIC OF INDONESIA

PROGRAM DESCRIPTION APRIL 27, 2008

Dates of Program September 1 to December 15, 2008

The Ohio State University (Ohio State) College of Education and Human Ecology will conduct a customized Teacher Quality and School Leadership Sandwich Program for 15 master's degree students from the State University of Padang (UNP) from September 1 to December 15, 2008. The 12-credit hour program will take place on the Ohio State campus. The goal of the program is to increase students' knowledge and abilities to serve in instructional and supervisory leadership capacities and as agents for change in Indonesian schools. The program is situated at a critical juncture in Indonesia educational history when Indonesia strives to produce a highly qualified and certified teacher workforce as it develops a national system of teacher certification for the first time in its history.

The Teacher Quality and School Leadership Sandwich Program model described below combines features of customized programs designed and conducted by Ohio State for Indonesian educators over the last two decades. These programs include postgraduate programs, postdoctoral programs, doctoral sandwich programs, customized master's degree programs, doctoral programs, institutional partnership programs, and U.S./Indonesia teacher education consortium programs.

Since the College of Education and Human Ecology at Ohio State first began to assist Indonesia with development of its national system of teacher education in 1986, Ohio State has trained teacher education faculty and students from 31 institutions across Indonesia as well as local school teachers, supervisors, and national and district-level education officials. In every case, the programs designed by Ohio State have been customized to meet the needs of each group of participants as well as the specific roles

and responsibilities participants would assume upon their return to Indonesia. The Ohio State University-designed programs have been conducted on the Columbus campus and at multiple universities on multiple continents in university consortia led by Ohio State. The sources of funding and years in which the above-mentioned programs were conducted include:

- Second Indonesia/World Bank Teacher Training Project, 1986-1990
- Indonesia Primary School Teacher Development Project (PGSD), 1992-1997
- Indonesia Secondary School Teacher Development Project (PGSM), 1997-1999
- U.S. Department of State, grant awarded to Ohio State to support Ohio State/Indonesian institutional partnership programs, 1999-2001
- Higher Education for Development/U.S. Agency for International Development, grant awarded to the U.S./Indonesia Teacher Education Consortium (USINTEC), a 16-member bi-national consortium led by Ohio State, to seed consortium programs, 2006-2008

No other U.S. university except Ohio State can claim a 20-year history of commitment to and ongoing collaboration with Indonesian teacher education universities.

The Teacher Quality and School Leadership Sandwich Program will include the program components discussed below. Needs assessment was conducted with the UNP Graduate School Dean and program staff by email and in person in Padang on March 15 and 16, 2008 to determine the nature of courses and field experiences in which the students are currently engaged and the roles the program is preparing them for upon completion of their degrees. This information is being used by Ohio State faculty and the sandwich program director to customize existing courses to meet the needs of the students.

The Ohio State University Teacher Quality and School Leadership Sandwich Program includes the program components described below.

Predeparture English language assessment was conducted by the sandwich program director at UNP March 15 and 16, 2008. At that time she gathered information about the UNP master's program, interviewed students in English, and administered an English writing assessment. This information, in addition to scores on institutional TOEFL tests administered by UNP, was used by the program director to select 15 students who will come to Ohio State. The procedures used and the results of the assessment were officially conveyed on April 1, 2005 via email to Dr. Abi Sujak for forwarding to leaders of the Directorate General for Quality Improvement of Teachers and Educational Personnel and the Bureau of Planning and International Cooperation, two units of the Ministry of National Education which are sponsoring the program. The English assessment is being used by American Language Program instructors at Ohio State to plan the pre-term ESL instruction students will take.

During her trip to Padang, the sandwich program director collected a portion of the documents that will be needed for students to be admitted to Ohio State as graduate nondegree students. UNP will send the following documents to Ohio State: evidence of a 4-year bachelor or higher degree, student statements of educational objectives and plans (12 pages), and affidavit of financial support obtained from the program sponsors.

As a part of predeparture preparation, UNP will provide basic information communication technologies (ICT) training so that students are proficient with word processing and email, know how to attach documents to email messages, can conduct web searches, and can use power point for presentations.

Post arrival orientation will include clarification of program expectations, orientation to Ohio State, Columbus, and the student diversity students will encounter in schools (racial, ethnic, gender, socio-economic, physically- and mentally-challenged). Orientation will include discussions of commonalities and differences in the cultural and educational contexts of Indonesia and the U.S. Students will learn to use the electronic library information retrieval system. They will also participate in international student orientation conducted by the Office of International Students and Scholars which handles immigration and other matters related to the integration of international students and scholars into the life of Ohio State University.

Non-credit intensive English refresher instruction will be provided to students prior to the start of autumn quarter classes which begin September 24, 2008. It will be taught by instructors in Ohio State University's American Language Program (ALP). They will use the results of predeparture testing and selection conducted by the sandwich program director to divide students into two classes in order to better tailor instruction to their abilities.

Three 4-credit hour customized courses will be taken by students while enrolled as graduate non-degree students. Special sections of off-the-shelf courses as well as a customized seminar will be taught by faculty in the School of Teaching and Learning (T&L) and the School of Educational Policy and Leadership (P&L). These courses will be tailored to meet the specific needs of the group based on discussions and needs assessment conducted by the program director with UNP staff and students. The sandwich program director and faculty coordinators will work with other T&L and P&L faculty to plan the courses during the late spring and early summer.

UNP has indicated that the cohort consists of seasoned head teachers and supervisors, mostly with bachelor's degrees in English and/or Education. They were selected for the UNP master's program based on their English skills (oral and written institutional assessments) and English is being used as the medium of instruction in a portion the courses in the UNP master's program. Their master's degree program is grooming them for instructional and supervisory leadership roles in internationally benchmarked elementary and secondary Indonesian schools.

They will transfer the Ohio State credits to UNP and complete research projects for their degrees upon their return home. Given the composition of the group, their course work at Ohio State needs to span T&L and P&L, two schools in the College of Education and Human Ecology.

T&L houses k-12 M.Ed. teacher licensure programs. It is the home of numerous M.A. and Ph.D. programs to advance education and research capabilities of early childhood, elementary, middle school, and secondary teachers as well as literacy specialists. T&L graduate programs also prepare university faculty for roles as teacher educators and university researchers. <http://ehe.osu.edu/edt/>

P&L houses masters and doctoral programs in research, higher education and student affairs, technology and others. The educational administration program prepares individuals for leadership and faculty roles in higher education and to meet licensure requirements for administrative and supervisory positions in schools and school districts. <http://ehe.osu.edu/epl/>

The College of Education and Human Ecology's graduate programs in elementary education, secondary education, administration/supervision, curriculum and instruction, and vocational/technical education are consistently ranked in the top10 in the nation. Ohio State is ranked in the top tier of research universities in the U.S. by the Carnegie Foundation for the Advancement of Teaching and ranked as one of the top 20 national public universities by U.S. News and World Report and the Washington Monthly.

Customized field experiences in local schools representing diverse student and teacher populations and socio-economic status will be an integral part of the sandwich program. These experiences will be associated with the course work in which students will engage. School teachers, principals, doctoral students who supervise student teachers, and superintendents will serve as resource persons to individual students and/or groups of students. Students will initially observe in a variety of schools and then be assigned to specific schools depending upon their major areas – elementary or secondary teaching or supervision. Students school-based counterparts will be selected based on their involvement in the College's university/school partnerships in which they co-teach methods courses, supervise clinical field experiences, and conduct action research.

Customized Teacher Quality and School Leadership Sandwich Program core seminar will be conducted throughout the program to (1) examine the relevance (or not) of U.S. practices and theories being learned for the Indonesian educational and cultural contexts, (2) discuss how those deemed relevant might be adapted, and (3) receive collective input from student peers, faculty, program directors and faculty coordinators, and school based counterparts. This seminar will engage teachers, principals, superintendents, state education officials, and others as guest lecturers on topics of interest to participants.

Relevant local education and cultural field trips to museums, conservatories, nature parks, zoos, ethnic communities, rural communities, and cultural arts performances will occur to enable students to see educational programs conducted in non-formal settings.

Ongoing program needs assessments with participants will occur throughout the program in monthly meetings with the program director and faculty coordinators.

Customized academic and program support services will be provided by the sandwich program director, assistant director, and faculty coordinators who will each devote a portion of their time exclusively to the project. Dr. Sue Dechow will serve as the sandwich program director. In this capacity, she will oversee all programmatic and fiscal aspects of the program, including pre-departure English language assessment, student admission, housing preparations, customized courses and seminars, customized field experiences in local school sites and education agencies, and payments of program costs. She will be responsible for designing the customized courses and seminars with the sandwich program faculty coordinators and will direct and monitor the work of the assistant director.

Dr. Dechow is Director of Research and International Development in the School of Teaching and Learning, College of Education and Human Ecology. She is also Executive Director of the U.S./Indonesia Teacher Education Consortium (USINTEC), a bi-national higher education consortium with 16 member institutions in the U.S. and Indonesia. USINTEC includes three U.S. universities, 12 Indonesian universities, and a Southeast Asian regional center for open learning. Dr. Dechow has 22 years experience in directing Ohio State University programs for Indonesian educators. She has led university consortia in three major Indonesia/World Bank teacher education projects which have trained educators from 31 institutions across Indonesia in programs designed by Ohio State University and conducted in consortium universities in the U.S., Australia, and the U.K.

An assistant director will assist Dr. Dechow with planning and coordinating the customized academic and program support services to be provided for students, including: working with the Office of International Students and Scholars to coordinate paperwork required for students to obtain visas; securing off-campus housing and rental furniture if furnished apartments cannot be found; processing payments for customized course fees, health insurance, local transportation, teacher and school personnel stipends; organizing customized field experiences in schools; coordinating arrangements for the core comparative education seminar; coordinating the procurement of transcripts from Ohio State and their validation by the Indonesian Embassy in Washington; assisting students with health and other issues that arise during their study.

Dr. Barbara Seidl will serve as faculty coordinator for the School of Teaching and Learning (T&L). She will plan and coordinate the customized course work with the program director and other T&L and P&L faculty who will teach in the courses and mentor sandwich program students.

Dr. Seidl is an Associate Professor in the School of Teaching and Learning with many years experience designing early childhood and elementary teacher education programs at Ohio State. Her scholarly interests include multicultural teacher education,

sociopolitical and sociocultural contexts of schooling, and culturally relevant approaches to teaching. She has done extensive consulting with public schools to design programs to support child-centered literacy teaching. During 2007, she spent five weeks on assignment at USINTEC institutions in Indonesia.

Dr. Helen Marks will serve as faculty coordinator for the School of Educational Policy and Leadership (P&L). She will plan and coordinate the customized course work with the program director and other P&L and T&L faculty who will teach in the courses and mentor sandwich program students.

Dr. Marks is an Associate Professor in the School of Educational Policy and Leadership. Her scholarly interests include school organization, school restructuring, teacher empowerment, community service learning, and student outcomes of schooling. She regularly teaches courses in school and community relations, instructional leadership and supervision, and social and political contexts of education.

An Indonesian Graduate Research Associate will provide assistance to the sandwich program students and assist the director in day-to-day management of the program.



EXHIBIT B

MINISTRY OF NATIONAL EDUCATION
DIRECTORATE GENERAL OF QUALITY IMPROVEMENT FOR
TEACHERS AND EDUCATIONAL PERSONNEL
DIRECTORATE EDUCATIONAL PERSONNEL

Building D, 12 Floor, Depdiknas
Jl. Jenderal Sudirman, Pintu 1, Senayan, Jakarta, Indonesia
Phone (62-21) 57974109, Fax. (62-21) 57974109, 57974113

No. : 1060/F3/LL/2008

June 11, 2008

Reff : Financial Statement

To. : Dr. Sue Dechow, Ph. D
Director, Research, and International Development
Executive Director, US/Indonesia teacher Educational Consortium (UNSITEC)
College of Education and Human Ecology
School of Teaching and Learning
Ohio State University

On behalf of Directorate Educational Personnel (DEP), Directorate General of Quality Improvement for Teachers and Educational Personnel (DGQITEP), Ministry of National Education (MoNE) Indonesia, herewith I stated that ;

1. DEP DGQITEP MoNE Indonesia has the obligation to improve the quality of existing and the candidates of school supervisor and school principal across Indonesia, through master program in school leadership and educational quality assurance.
2. The master program above mention has been implemented through sandwich program between Padang State University (UNP Padang) with Ohio State University (OSU).
3. This master program being implemented through three academic semester in UNP Padang and one academic semester in OSU (4 months effectively).
4. The number of student participated in this program are 15 students, and DEP DGQITEP MoNE Indonesia give the block grant to the students, including Course an Program fee to be paid to OSU, health insurance, book allowance, and the living allowance will be paid by Planning and International Corporation Bureau.
5. This school fee will be paid collectively by UNP Padang as much as US\$ 7.500 for each student, based on the letter sent by OSU on May 15th, 2008 sign by Dr. Sue Dechow, P.hD, Director, Research and International Development, Ohio State University.
6. Therefore, I stated that DEP DGQITEP MoNE Indonesia responsible for providing block grant to student for Master Program Sandwich with OSU for : Course and Program Fees, Health Insurance, and Book Allowance.

I hope with this financial statement, you can accept the students from UNP as above mention without any difficulties. Thank you very much for your attention.

Acting Director

DIREKTORAT JENDERAL
PENINGKATAN MUTU
PENDIDIK DAN TENAGA
KEPENDIDIKAN

Mas Harry Sanyoto



EXHIBIT C

Wire Transfer Information Instructions to State University of Padang

Please give the following instructions to your Bank when wiring to the Ohio State University:

Bank Name:	J.P. Morgan Chase Bank, NA 100 East Broad Street Columbus, OH 43215, USA
ABA Number for Wires :	021000021
ABA Number for ACH :	044000037
Swift Code (International):	CHASUS33
Bank Account Name:	THE OHIO STATE UNIVERSITY UNIVERSITY TREASURER'S OPERATING FUND
Account Number:	980000975
Additional Information:	EHE Graduate Non-Degree Program StateUniversity of Padang, Indonesia Wire of Program Fees

Memorandum of Understanding
The United States/Indonesia Teacher Education Consortium (USINTEC)
March 22, 2006

Introduction and Mission

This Memorandum of Understanding (MOU) serves as a good faith agreement among The Ohio State University (Ohio State) and the universities and organizations listed below to establish the U.S./Indonesia Teacher Education Consortium (USINTEC). The mission of USINTEC is to (1) promote collaboration and mutual understanding of the United States and Indonesia through higher education partnerships and (2) strengthen institutional capacity in teacher education through collaborative development of innovative educational programs and research to be conducted in the US and Indonesia.

USINTEC is an outgrowth of two Bilateral Forums for US/Indonesia Partnerships on Higher Education held in 2004 and 2005 under the auspices of the United States - Indonesia Society (USINDO) and the Directorate General of Higher Education (DGHE) of Indonesia. USINDO is a non-governmental organization located in Washington, DC that promotes US/Indonesia relations. The DGHE is the unit of the Ministry of National Education (MONE) that provides higher education oversight in Indonesia. The Ohio State University is the lead institution for the development and implementation of USINTEC.

Conditions

All USINTEC programs and activities are dependent upon the abilities of the consortium partners to secure internal and external funding to support them. It is understood that the details of collaborative programs and activities, utilization of results achieved, and programmatic and financial arrangements for the specific forms of cooperation will be determined and negotiated among the partners on a case-by-case basis.

Activities

USINTEC activities include but are not limited to:

- undergraduate and graduate curriculum and program development and revision in early childhood, elementary, and secondary education fields
- design of preservice and inservice curricula and programs that incorporate content and pedagogy teacher professional standards and lead to teacher certification
- short-term and graduate degree programs in the US for Indonesian faculty and graduate students
- collaboration in Indonesia among US and Indonesian faculty and graduate students
- development of joint US/Indonesian graduate degree programs that combine face-to-face, e-learning, and distance education delivery
- collaborative research

- development and use of information communication technologies for teaching, learning, research, outreach, materials dissemination, distance education, and coordination among USINTEC partners
- evaluation of USINTEC activities and results

Partners

As of this date, March 22, 2006, the consortium partners include:

Indiana University
 Indonesia University of Education, Bandung
 Ohio State University
 Open University, Jakarta
 Southeast Asian Ministers of Education Organization Regional Open Learning Center, Jakarta
 State Institute of Teacher Training and Educational Sciences, Singaraja
 State University of Gorontalo
 State University of Jakarta
 State University of Makassar
 State University of Malang
 State University of Manado
 State University of Medan
 State University of Padang
 State University of Semarang
 State University of Surabaya
 State University of Yogyakarta
 University of Illinois at Urbana-Champaign

Terms of the MOU

With this MOU, the USINTEC partners agree to:

Develop an initial four-year consortium scope of work

Develop and implement an efficient low-cost management structure

Establish a joint USINTEC management office located at Ohio State and at an Indonesian partner university when sufficient funding is obtained

Designate at each partner organization an USINTEC Institutional Director who is responsible for consortium leadership and coordination of activities

Coordinate programs and activities in respective geographic areas and participate in regional, national, and international USINTEC activities

Seek funding to support the USINTEC scope of work, as a consortium, as individual institutions, and in collaboration with USINDO and the DGHE

Seek funding from multiple U.S. and Indonesian sources, including but not limited to bilateral and multilateral funding agencies such as the World Bank, Asian Development Bank, US Agency for International Development, Indonesian Ministry of National Education, US Department of State, US Department of Education, US and Indonesian foundations, educational organizations and corporations, and Indonesian development projects

Bear respective institutional costs associated with proposal development and other efforts to secure external funding to support the consortium scope of work

Make reasonable and timely efforts to provide information and resources needed to develop consortium proposals for external funding by the deadlines set by funding agencies and/or the USINTEC university or organization leading the development of a given proposal

Provide institutional cost share when required by external funding agencies

Not give information about USINTEC proposals for external funding to competing consulting firms, universities, or organizations not affiliated with USINTEC unless partnerships with non-USINTEC entities are sought for a given proposal

Annually review and report USINTEC activities and results and make recommendations to improve the quality of joint endeavors

Additions and Withdrawals of Partners

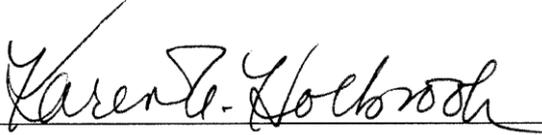
USINTEC may add other public or private universities, educational organizations, foundations, and/or corporate partners as appropriate and agreed upon by majority consensus in order to extend and advance the USINTEC mission.

USINTEC partner institutions may withdraw from the consortium by giving two months (60 days) written advance notice to the other partners and indicating the reasons for withdrawal.

Period of the MOU

This MOU, which may be amended from time to time by majority consensus of the partners, will remain in force until March 31, 2011 at which time USINTEC partners will modify the MOU in accordance with future directions of the consortium.

Signature Page
The Ohio State University
Memorandum of Understanding
The United States/Indonesia Teacher Education Consortium (USINTEC)
March 22, 2006



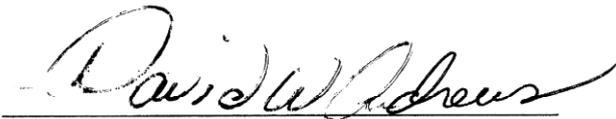
4/14/06

date

Karen A. Holbrook
President
The Ohio State University
Columbus, Ohio, USA



Barbara R. Snyder
Executive Vice President and Provost



David W. Andrews
Interim Dean
College of Education

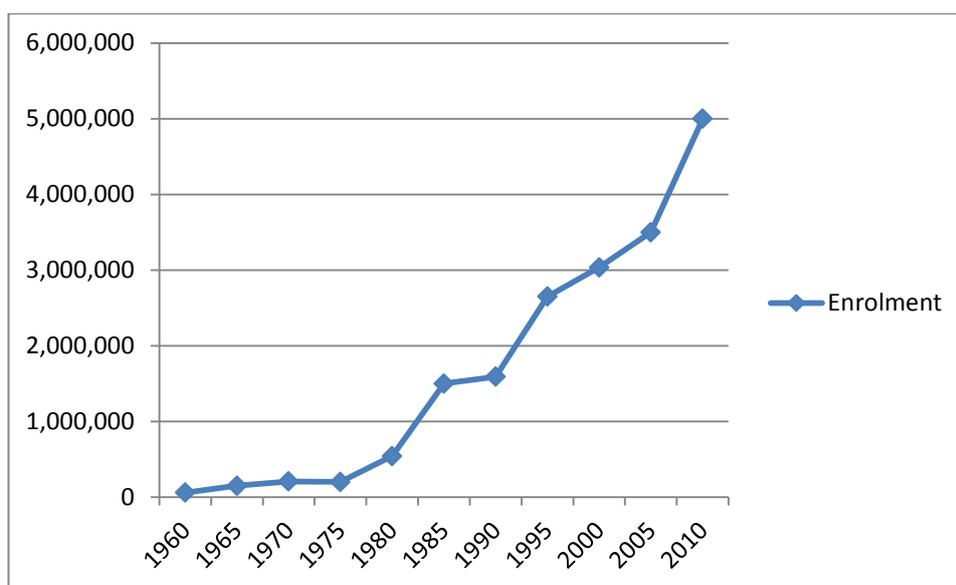
 3.27.06

Rebecca M. Kantor-Martin
Director
School of Teaching & Learning



C. Sue Dechow
Director, Research & International Development
School of Teaching & Learning
USINTEC Executive Director

Appendix F. Figures of growth of enrolments at post-secondary education institutions from 1960 to 2010



Source: Purwadi, A. "Impact of Economic Crisis on Higher Education in Indonesia." *Impact of the Economic Crisis on Higher Education in East Asia* (Paris: IIEP/UNESCO, 2001); Wicaksono, Teguh, and Deni Friawan. "Recent Development in Higher Education in Indonesia: Issues and Challenges." *Financing Higher Education and Economic Development in East Asia*, edited by Shiro Armstrong and Bruce Chapman. (Canberra: ANU, 2011); FJ Granada, Wolfgang Fengler, Andy Ragatz, and Elif Yavuz, "Investing Indonesia's Education: Allocation, Equity, and Efficiency of Public Expenditure," *The World Bank Policy Research Working Paper*, August 2007.

Appendix G. List of respondents

Category	Respondent*	Position*
A. Respondents dealing with MoUs	Respondent 2 (Indonesian)	Vice rector dealing with MoUs
	Respondent 5 (Indonesian)	Government official
	Respondent 7 (Indonesian)	Former Indonesian rector and MoU negotiator
	Respondent 8 (Indonesian)	Government official
	Respondent 9 (Indonesian)	Vice president of an American company
	Respondent 10 (Indonesian)	Director of international office of a university in Indonesia
	Respondent 11 (Indonesian)	Government official
	Respondent 12 (American)	The President of an American non-profit organisation
	Respondent 13 (Indonesian)	Staff member of International office responsible for administering MoUs at a university in Indonesia
	Respondent 14 (Indonesian)	Dean of a university in Indonesia
	Respondent 15 (American)	Vice president of Research and Strategic Partnership
	Respondent 16 (American)	Associate Professor of a university in the US who has experience negotiating MoUs
	Respondent 18 (Indonesian)	Chair of International Cooperation of a university in Indonesia
Respondent 20 (American)	Director of International Education	
B. Respondents dealing with financial assistance from the US	Respondent 6 (Indonesian)	On staff of US governmental agency
	Respondent 17 (American)	On staff of a US governmental agency
	Respondent 19 (American)	On staff of a US governmental agency
C. Respondents dealing with Indonesian curriculum	Respondent 1 (Indonesian)	Government official
	Respondent 3 (Indonesian)	Government official
	Respondent 4 (Indonesian)	Research manager

*position and name of respondents are confidential and protected

