SYLLABUS

COURSE

Public Economics
(EKO1412)

Lecturer Team:

1. Dr. Alla Asmara, S.Pt., M.Si
2. Prof. Dr. Ir. Manuntun Parulian Hutagaol, MS
3. Dr. Muhammad Findi Alexandi, SE, M.E
4. Mutiara Probokawuryan, SE, MMgt (Econ)

**DEVELOPMENT ECONOMICS STUDY PROGRAM
DEPARTMENT OF ECONOMICS
FACULTY OF ECONOMICS AND MANAGEMENT
IPB UNIVERSITY
2024**

SEMESTER LESSON PLANS (RPS)

Course Name (MK)	Course Code	Course Cluster	Weight (credits)		Semester	Approval Date
Public Economics	EKO1425	In-depth Prodi Courses	Lecture: 3	Practicum: -	5	12 Agustus 2024
	Total student workload:		**Face-to-face:**	**Independent learning:**	**Maximum class size:**	
	135 Hours		50 Hours	85 Hours	100 Students	

AUTHORIZATION / APPROVAL	**RPS Developer Lecturer**	**Course Coordinator**	**Head of Study Program**
	Signature Dr. Alla Asmara, S.Pt., M.Si	Signature Dr. Alla Asmara, S.Pt., M.Si	Signature Dr. Tony Irawan, M.App.Ec

Course Category	~~CCC/FC/FL/ACC/IC/Final Year Project~~
Course Description	This course discusses the concepts and theories of public economics, the roles and functions of government, market failures as a basis for government intervention, public goods theory, voting theory, externalities, cost-benefit analysis, government expenditure analysis, government programs in public service, tax theory, regional autonomy, and fiscal decentralization.

Intended Learning Outcomes (ILOs) of the Study Program	**Study Program Learning Outcomes assigned to the Course**	
	ILO 1	Students are able to explain concepts and theories in public economics.
	ILO 2	Students are able to understand and explain public service programs.
	ILO 3	Students are able to analyze and evaluate various issues related to public goods, externalities, public service programs, regional autonomy, and fiscal decentralization.
	ILO 4	Able to explain and apply economic models based on theory for decision-making, problem-solving, and planning in the field of economics.
	ILO 5	Able to demonstrate oral and written communication skills in various forms based on logical, creative, and innovative thinking.
	ILO 6	Able to work independently as well as effectively and adaptively in groups, prioritizing professional integrity and ethical values
	ILO 7	Demonstrate leadership qualities in problem-solving.
Course Learning Outcomes	**Learning Outcomes (CLOs)**	
	CLO 1	Students are able to explain concepts and theories in public economics.
	CLO 2	Students are able to understand and explain public service programs.
	CLO 3	Students are able to analyze and evaluate various issues related to public goods, externalities, public service programs, regional autonomy, and fiscal decentralization.
	Sub-Learning Outcomes (Sub-CLOs)	

	Sub-CLO 1	a. Students are able to explain concepts and theories related to the role and functions of government, market failures, and government intervention.
		b. Students are able to explain concepts and theories of public goods.
		c. Students are able to explain concepts and theories of externalities.
		Students are able to explain concepts and theories of regional autonomy and fiscal decentralization.
	Sub-CLO 2	a. Students are able to understand and explain public service programs in education.
		b. Students are able to understand and explain public service programs in health.
		Students are able to understand and explain public service programs in poverty alleviation.
	Sub-CLO 3	a. Students are able to analyze and evaluate issues in the provision of public goods.
		b. Students are able to analyze and evaluate issues of inefficiency and public choice.
		c. Students are able to analyze and evaluate issues of externalities.
		d. Students are able to analyze and evaluate issues related to public service programs.
		Students are able to analyze and evaluate issues of regional autonomy and fiscal decentralization.
	Sub-CLO 4	d. Students are able to explain concepts and theories related to the role and functions of government, market failures, and government intervention.
		e. Students are able to explain concepts and theories of public goods.
		f. Students are able to explain concepts and theories of externalities.
		Students are able to explain concepts and theories of regional autonomy and fiscal decentralization.

Relevance of CLO and Sub-CLO		CLO 1	CLO 2	CLO 3
	Sub-CLO 1	√	√	√
	Sub-CLO 2	√	√	√
	Sub-CLO 3	√	√	√
	Sub-CLO 4		√	√

Courses offered for	✔ Major

Main References	- Stiglitz, Joseph E. 2000. Economics of the Public Sector. New York, USA: W.W. Northon and Company. (Code: JES) - Mangkoesoebroto, Guritno. 1999.”*Ekonomi Publik*”. Yogyakarta: BPFE. (Code: MG) - Gruber, Jonathan. 2005. Public Finance and Public Policy. New York, USA: Worth Publisher. (Code: GJ) - Weimer, David L. and Vining, Aidan R. 1992. “Policy Analysis: Concepts and Practice”. New Jersey: Prentice Hall. (Code: WV) - Suparmoko, M. 2001. *Ekonomi Publik untuk Keuangan dan Pembangunan Daerah*. (Code: MS)

	- H.A.W. Wijaya. 2001. *Otonomi Daerah*. Jakarta: PT RajaGrafindo Persada. (Code: HAWW) - Law No. 32 of 2004 on Regional Government 1. Law No. 33 of 2004 on Financial Balance between the Central Government and Regional Governments
Lecturers (Teaching Team)	1. Dr. Alla Asmara, S.Pt., M.Si 2. Prof. Dr. Ir. Manuntun Parulian Hutagaol, MS 3. Dr. Muhammad Findi Alexandi, SE, M.E 4. Mutiara Probokawuryan, SE, MMgt (Econ)

4

Table 1. Lesson Plan for Each Meeting

Week	Basic Competence/ Final Skills (Sub-CLO)	Study Material	Learning Method	Estimated Time (Minutes)	Learning Experience	Indicator	Assessment Criteria	Assessment Weight (%)
Students are able to:								
1	Students are able to explain the roles and functions of government in the economy.	**Role and Functions of Government in the Economy** 1.1 Roles and functions of government based on Adam Smith's approach 1.2 Roles and functions of government 1.3 The government's role in providing public goods a. Government failure	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theories and engaging in interactive discussions	● The completeness and accuracy of explanations in answering exam questions (UTS) Structured assignment and active participation in discussions during lecture sessions	Students are able to explain the roles and functions of government in the economy.	7.5
2	Students are able to explain the concepts of private goods, market efficiency, and the conditions under which the market mechanism will be inefficient (market failures).	**Private Goods, Market Mechanism, and Pareto Efficiency** 2.1. Scarcity, Efficiency and Social Welfare 2.2. Concept of Pareto Efficiency 2.3. Pareto criteria for social	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theories and engaging in interactive discussions	● The completeness and accuracy of explanations in answering exam questions (UTS) Structured assignment	Students are able to explain the concepts of private goods, market efficiency, and the conditions under which the market mechanism will be inefficient (market failures).	7.5

Week	Basic Competence/ Final Skills (Sub-CLO)	Study Material	Learning Method	Estimated Time (Minutes)	Learning Experience	Indicator	Assessment Criteria	Assessment Weight (%)
		welfare improvement 2.4. Hicks-Kaldor criteria for social welfare improvement 2.5. Can market efficiency achieve Pareto efficiency? a. Market imperfections as a basis for market intervention				and active participation in discussions during lecture sessions		
3	Students are able to explain the sources of market failures and government policies to address them.	**Market Failures and Government Intervention** 3.1. Issues of market failure 3.2. Sources of market failure a. 3.3. Government failure	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theories and engaging in interactive discussions	● The completeness and accuracy of explanations in answering exam questions (UTS) Structured assignment and active participation in discussions during lecture sessions	Students are able to explain the sources of market failures and government policies to address them.	7.5

Week	Basic Competence/ Final Skills (Sub-CLO)	Study Material	Learning Method	Estimated Time (Minutes)	Learning Experience	Indicator	Assessment Criteria	Assessment Weight (%)
4	Students are able to explain the theory and concepts of public goods provision by private entities and the government, as well as the challenges faced.	**Provision of Public Goods** 4.1. Public goods vs. Private goods 4.2. Public goods and market failure 4.3. Facts about the provision of public goods 4.4. Provision of public goods by the government 4.5. Provision of public goods by the private sector a. Government efficiency in providing public goods	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theories and engaging in interactive discussions	● The completeness and accuracy of explanations in answering exam questions (UTS) Structured assignment and active participation in discussions during lecture sessions	Students are able to explain the theory and concepts of public goods provision by private entities and the government, as well as the challenges faced.	7.5
5	Students are able to understand the mechanisms of resource allocation in providing public goods.	**Voting Theory** 5.1. Mechanism of resource allocation 5.2. Inefficiencies in voting 5.3. Addressing inefficiencies in voting 5.4. Voting alternatives 5.5. Voting majority and voting	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theories and engaging in interactive discussions	● The completeness and accuracy of explanations in answering exam questions (UTS) Structured assignment and	Students are able to understand the mechanisms of resource allocation in providing public goods.	7.5

Week	Basic Competence/ Final Skills (Sub-CLO)	Study Material	Learning Method	Estimated Time (Minutes)	Learning Experience	Indicator	Assessment Criteria	Assessment Weight (%)
		paradox 5.6. Arrow's Impossibility Theorem 5.7. Representative system a. 5.8. Main constraints faced by Representative Democratic System				active participation in discussions during lecture sessions		
6	Students are able to explain and calculate externality issues in economic activities and the government's involvement in addressing those market failures.	**Externalities** 6.1. Definition 6.2. Externalities and the environment 6.3. Issues of externalities 6.4. Production excess causing negative externalities 6.5. Supply shortages causing positive externalities 6.6. Private solutions to externalities and their failures a. Public solutions to externalities	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theories and engaging in interactive discussions	● The completeness and accuracy of explanations in answering exam questions (UTS) Structured assignment and active participation in discussions during lecture sessions	Students are able to explain and calculate externality issues in economic activities and the government's involvement in addressing those market failures.	7.5

Week	Basic Competence/ Final Skills (Sub-CLO)	Study Material	Learning Method	Estimated Time (Minutes)	Learning Experience	Indicator	Assessment Criteria	Assessment Weight (%)
7	Students are able to apply cost-benefit analysis in the provision of public goods.	**Benefit-Cost Analysis** I 7.1. Why use B/C? 7.2. Efficient if Benefit > Cost 7.3. Consequences of resource limitations 7.4. Future Value of Money 7.5. Present Value of Money 7.6. Internal Rate of Return (IRR) a. Net Benefit/Cost Ratio	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theories and engaging in interactive discussions	● The completeness and accuracy of explanations in answering exam questions (UTS) Structured assignment and active participation in discussions during lecture sessions	Students are able to apply cost-benefit analysis in the provision of public goods.	7.5
8	Exams to evaluate material mastery by students on the material of Meeting 1 up to Meeting 7	**Material from Meeting 1 to Meeting 7**	Completing written exam questions	**2x60"**	Understanding the material taught, both in theory and in its practical application in the real world.	● Completeness and accuracy of explanations in answering exam questions ● Paper-based written exam to assess understanding of the material	Exams to evaluate material mastery by students on the material of Meeting 1 ● up to Meeting 7	35

Week	Basic Competence/ Final Skills (Sub-CLO)	Study Material	Learning Method	Estimated Time (Minutes)	Learning Experience	Indicator	Assessment Criteria	Assessment Weight (%)
9	Students are able to apply cost-benefit analysis in the provision of public goods.	**Benefit-Cost Analysis** II 8.1. Stages of project evaluation 8.2. Differences between government and private project analysis 8.3. Determining interest rates for government projects a. 8.4. Advantages and limitations of CBA	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theory, presentation of assignment/paper and interactive discussion	● The completeness and accuracy of explanations in answering exam questions (UTS) Structured assignment and active participation in discussions during lecture sessions	Students are able to apply cost-benefit analysis in the provision of public goods.	7.5
10	Students are able to explain the steps involved in public service expenditure analysis.	**Public Expenditure Analysis** 9.1. Introduction 9.2. Ten Steps in Analyzing Public Expenditure Policy 9.3. Identifying causes of intervention 9.4. Identifying market	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theory, presentation of assignment/paper and interactive discussion	● The completeness and accuracy of explanations in answering exam questions (UTS) Structured assignment and active	Students are able to explain the steps involved in public service expenditure analysis.	7.5

Week	Basic Competence/ Final Skills (Sub-CLO)	Study Material	Learning Method	Estimated Time (Minutes)	Learning Experience	Indicator	Assessment Criteria	Assessment Weight (%)
		failure used to justify intervention 9.5. Alternative forms of intervention 9.6. Importance of attention to feasibility issues 9.7. Responding to the private sector 9.8. Efficiency consequences of intervention 9.9. Distribution consequences of intervention 9.10. Equity-Efficiency Trade-Off 9.11. Goals of public policy a. Political processes underlying intervention				participation in discussions during lecture sessions		
11	Students are able to explain government programs related to	**Public Service Programs in Education**: 10.1. Background	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theory, presentation of assignment/pa	● The complete ness and accuracy	Students are able to explain government programs related to	7.5

Week	Basic Competence/ Final Skills (Sub-CLO)	Study Material	Learning Method	Estimated Time (Minutes)	Learning Experience	Indicator	Assessment Criteria	Assessment Weight (%)
	public services in education.	and reasons for government involvement in education services 10.2. Forms of education service programs 10.3. Outcomes of education service programs a. Barriers and challenges in education services			per and interactive discussion	of explanations in answering exam questions (UTS) Structured assignment and active participation in discussions during lecture sessions	public services in education.	
12	Students are able to explain government programs related to public services in healthcare.	**Public Service Programs in Health**: 11.1. Background and reasons for government involvement in health services 11.2. Forms of health service programs 11.3. Outcomes of health	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theory, presentation of assignment/paper and interactive discussion	● The completeness and accuracy of explanations in answering exam questions (UTS) Structured assignment and active participation in discussions	Students are able to explain government programs related to public services in healthcare.	7.5

Week	Basic Competence/ Final Skills (Sub-CLO)	Study Material	Learning Method	Estimated Time (Minutes)	Learning Experience	Indicator	Assessment Criteria	Assessment Weight (%)
		service programs a. Barriers and challenges in health services				during lecture sessions		
13	Students are able to explain government programs related to public services in poverty alleviation.	**Public Service Programs in Poverty Alleviation**: 12.1. Background and reasons for government involvement in poverty alleviation services 12.2. Forms of poverty alleviation service programs 12.3. Outcomes of poverty alleviation programs a. Barriers and challenges in poverty alleviation services	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theory, presentation of assignment/paper and interactive discussion	● The completeness and accuracy of explanations in answering exam questions (UTS) Structured assignment and active participation in discussions during lecture sessions	Students are able to explain government programs related to public services in poverty alleviation.	7.5
14	Students are able to explain the basic theory of fiscal	**Theoretical Foundations of Fiscal**	Face-To-Face/Online	**Lecture:** 1x3x50"	Studying theory, presentation of	● The completeness and	Students are able to explain the basic theory of fiscal	7.5

Week	Basic Competence/ Final Skills (Sub-CLO)	Study Material	Learning Method	Estimated Time (Minutes)	Learning Experience	Indicator	Assessment Criteria	Assessment Weight (%)
	decentralization and regional autonomy.	**Decentralization and Regional Autonomy** 13.1.Public goods and market failure 13.2.Inefficiency in the provision of public goods 13.3.Two types of public goods 13.4.Competitive markets as a key to addressing inefficiencies 13.5.Tiebout Hypothesis 13.6.Implications of the Tiebout Hypothesis 13.7.Limitations of the Tiebout Hypothesis a.	Lecture and Discussion		assignment/paper and interactive discussion	accuracy of explanations in answering exam questions (UTS) Structured assignment and active participation in discussions during lecture sessions	decentralization and regional autonomy.	
15	Students are able to synthesize the logic underlying regional autonomy policies and analyze the potential benefits and issues	**Regional Autonomy and Fiscal Decentralization Policies in Indonesia** 14.1 Triggers for regional	Face-To-Face/Online Lecture and Discussion	**Lecture:** 1x3x50"	Studying theory, presentation of assignment/paper and interactive discussion	● The complete ness and accuracy of explanations in answerin	Students are able to synthesize the logic underlying regional autonomy policies and analyze the potential benefits and issues associated with those policies.	7.5

Week	Basic Competence/ Final Skills (Sub-CLO)	Study Material	Learning Method	Estimated Time (Minutes)	Learning Experience	Indicator	Assessment Criteria	Assessment Weight (%)
	associated with those policies.	autonomy and fiscal decentralization 14.2 Legal foundations 14.3 Authority of autonomous regions 14.4 Regional finance a. 14.5 Potential issues				g exam questions (UTS) Structured assignment and active participation in discussions during lecture sessions		
16	Students are capable of completing written exam questions to evaluate their mastery of the material from Meeting 9 through Meeting 15	**Material from Meeting 9 to Meeting 15**	Completing written exam questions	**2x60"**	Understanding the material taught, both in theory and in its practical application in the real world.	● Completeness and accuracy of explanations in answering exam questions ● Paper-based written exam to assess understanding of the material	● Students are capable of completing written exam questions to evaluate their mastery of the material from Meeting 9 through Meeting 15	35

Table 2. Assessment Components

No	Assessment Component	Weight (%)	Description
1.	Participatory Activities	-	

2.	Project Results	0	
3.	Cognitive/Knowledge		
	● Assignment	30	Review journals and compile them into a paper to be submitted at the end of the midterm exam (UTS) session
	● Quiz	-	
	● Midterm Exam	35	Complete exam questions in written form
	● Final Exam	35	Complete exam questions in written form
	Total Weight (%)	**100**	

GRADE DETERMINATION CATEGORY

Score in Grade	Point	Score Range
A	4.0	≥80
AB	3.5	75-79.9
B	3.0	70-74.9
BC	2.5	65-69.9
C	2.0	60-64.9
D	1.0	<60