

| Annex No. 3 | | First Cycle Studies Course Programme | | | |
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| 1. | Course Title | Public Sector Economics | | | |
| 2. | Code | ECN 420 | | | |
| 3. | Study programme | Economics | | | |
| 4. | Organizer of the study programme (university unit i.e. institute, chair, department) | Ss. Cyril and Methodius University in Skopje Faculty of Economics - Skopje Chair of Economics | | | |
| 5. | Level (first, second, third cycle) | First cycle | | | |
| 6. | Academic year / semester | Fourth year (winter semester) | 7. | Number of ECTS credits | 7.5 |
| 8. | Professor | Prof. Ljubomir Kekenovski, PhD | | | |
| 9. | Preconditions for enrolment | - | | | |
| 10. | <p>Course Objectives (Competencies): After taking this course, students should be able to:</p> <ol style="list-style-type: none"> 1. Gain new knowledge about the place, role and representation of the public sector in the economic structure of modern economies; 2. Argue about the reasons for the existence of the public sector (market failure); 3. Understand the failure of the state (government); 4. Analyze programmatic approaches to budgeting; 5. They focus on public sector financing, deficits and their economic implications. | | | | |
| 11. | <p>Course content:</p> <p>Part I: Introduction to Public Sector Economics</p> <ol style="list-style-type: none"> 1.1. Defining the public sector 1.2. The public sector in a mixed economy 1.3. Market failure 1.4. Government failure 1.5. The public sector and the basic economic issue 1.6. Economic and other reasons for the existence of the public sector 1.7. Equality or efficiency 1.8. Public goods <ul style="list-style-type: none"> - Public goods and public interest - Public goods and publicly secured private goods - bureaucracy, distribution and efficiency 1.9. Local public goods 1.10. Externalities <p>Part II: Theory of Public Choice</p> <ol style="list-style-type: none"> 2.1. Public and private mechanisms for resource allocation 2.2. Majority voting 2.3. Politics and economics <p>Part III: Welfare State</p> <ol style="list-style-type: none"> 3.1. Measuring poverty and inequality 3.2. Social policy 3.3. Pension system 3.4. Health Economics 3.5. Economics of education <p>Part IV: Economics of Public Enterprises</p> <ol style="list-style-type: none"> 4.1. Concept, definition and scope of the public enterprise <ul style="list-style-type: none"> - The identity and character of the public enterprise - Classification of public enterprises - The problem of ownership: "public" - Institutional forms of public enterprises 4.2. The concept of public enterprises in different socio-economic systems | | | | |

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| <p>4.3. The efficiency of public enterprises - EU, other countries ...</p> <p>4.4. Management in public enterprises</p> <ul style="list-style-type: none"> - Who is responsible for the public enterprise? - Property - Control - Autonomy <p>Part V: Public Sector Management</p> <p>5.1. The importance of public management in the modern European country</p> <p>5.2. Theories of administrative reform and their practical implications</p> <ul style="list-style-type: none"> - New public management - The theory of public choice - Public entrepreneurship - Practical implications of FYM <p>5.3. New institutional economy</p> <p>5.4. FYM reforms and other reform strategies of Western European countries</p> <p>Part VI: Public Sector Regulation</p> <p>1.1. Ownership and efficiency</p> <p>1.2. The privatization process in the public sector</p> <p>1.3. Regulation, deregulation and competition in the public sector</p> <ul style="list-style-type: none"> - Natural monopoly - The experiences of the USA, EU, countries in transition - Concessions, BOT, BOT - PPP - schemes <p>1.4. Pricing policy in the public sector</p> <ul style="list-style-type: none"> - Marginal Ramsey prices - Practice in the USA and Great Britain <p>Part VII: Public Sector in Practice</p> <p>7.1. Public sector in the EU</p> <ul style="list-style-type: none"> - The changing structure of the public sector in the EU - New regulations and directives <p>7.2. The public sector in the Republic of Macedonia</p> <ul style="list-style-type: none"> - Definition of the public sector in the Republic of Macedonia - Ownership, organizational and market structure - Opportunities for introducing competition | | | | |
| 12. | Learning methods: | | | |
| 13. | Total hours | 7.5 ECTS x 30 classes = 225 classes | | |
| 14. | Allocation of hours per activity | 90+30+15+90= 225 classes | | |
| 15. | Types of teaching activities | 15.1. | Lectures | 90 classes |
| | | 15.2. | Exercises (Seminars) | 0 classes |
| 16. | Other types of activities | 16.1. | | 30 classes |
| | | 16.2. | | 15 classes |
| | | 16.3 | | 90 classes |
| 17. | Grading method: 80+10+10 =100 points | | | |
| | 17.1. | Tests (Domain, Essay, Multiple choice exam, Case) | 80 points | |
| | 17.2. | Individual work / project (presentation: written and oral) | 10 points | |
| | 17.3. | Attendance and class participations | 10 points | |
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| 18. | Grading scale | less than 50 points | 5 (five) (F) | | | |
| | | from 51 to 60 points | 6 (six) (E) | | | |
| | | from 61 to 70 points | 7 (seven) (D) | | | |
| | | from 71 to 80 points | 8 (eight) (C) | | | |
| | | from 81 to 90 points | 9 (nine) (B) | | | |
| | | from 91 to 100 points | 10 (ten) (A) | | | |
| 19. | Preconditions for taking the final exam | Realized activities from points 15 and 16 | | | | |
| 20. | Language | Macedonian (or English) | | | | |
| 21. | Evaluation method | Internal evaluation and survey | | | | |
| 22. | Literature | | | | | |
| | 22.1. | Compulsory literature | | | | |
| | | No. | Author | Title | Publisher | Year |
| | | 1. | Љубомир Кекеновски | <i>Економија на јавниот сектор – Теоретски и практичен пристап</i> | Економски факултет – Скопје | 1999 |
| | | 2. | Љубомир Кекеновски | <i>Јавниот сектор во развиените пазарни стопанства</i> | Економски Факултет - Скопје | 1996 |
| | 3. | | | | | |
| | 22.2. | Additional literature | | | | |
| | | No. | Author | Title | Publisher | Year |
| | | 1. | Joseph E. Stiglitz | Economics of the Public Sector | W. W. Norton & Company; Fourth edition | 2015 |
| | | 2. | Sara Connely & Alistair Munro | Economics of the Public Sector | Pearson Education Limited; 2nd Rev Ed edition | 2005 |
| 3. | Jean Dufau | Les Entreprises Public | Economica | 2000 | | |