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**EXTERNALITIES OF KEDAI IPS
 ON ACADEMIC COMMUNITY SOCIAL SCIENCE STUDENT OF TARBIYAH AND TEACHER
 TRAINING FACULTY**

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Abstract. Social Science Education Department (PIPS) of Faculty Education and Teacher Training (FITK) five grades at C and D class 2016/2017 have pioneered the establishment of Kedai IPS. The purpose of establishing kedai IPS is to implement and getting practical experience of entrepreneurship subject that have been taught in the class. In the development Kedai IPS related to externality. Externality is the impact of activities that affected does not involve in that activities. It can be defined that the market failed to perform its function properly. The purpose of this article is to analyze the externalities generated by Kedai IPS Social science students of faculty education and teacher training. The approach used is descriptive qualitative. Data collected using interview and observation. The results show that there three externality of kedai IPS on Social science students of faculty education and teacher training. First externality positive consumer that are improving the quality of entrepreneurship learning in social science students, supporting the accreditation assessment program, consumer are more satisfy with the product consumed; Second externality producer positive is the existence of kedai IPS can increase welfare of social science community and the third Kedai IPS would bring effects of teaching and learning process in the classroom because it is located around in the class room.

Keywords: Positive Externality; Negative Externality; Kedai IPS

A. INTRODUCTION

PIPS department is one of the majors that exist in faculty education and teacher training. PIPS department is one of the majors that exist in faculty education and teacher training this department has one study program that is social science education program. Implementation of education and teaching in PIPS has improved step by step. This year PIPS students have an Kedai IPS. The establishment of kedai IPS was spearheaded by five grades at C and D class 2016/2017. This time kedai IPS has open recruitment to all of PIPS student to joint with them.

Kedai IPS is one of media that use to apply the theories that have been obtained in class, so the knowledge gained by student is not only theoretical but also practice. Learning became comprehensiveness so that the quality of student increasing. Kedai IPS can be able to entrepreneurship lab. Currently, Harsono (2005, p.5) the learning in the laboratory is intended to: 1. Skill learning in accordance with the subject of practicum, 2. Understanding the principles of science and stages in scientific research, 3. Develop skill to resolve a problem, 4. Development professional attitude, behavior and commitment.

At an activity/business is established will be influence to the surrounding community. The influence of the activity can be constructive (positive effect) or destructive (negative

effect). Kedai IPS as one of business which is exist in Social science students of faculty education and teacher training will be influence to surrounding community. In microeconomics theory the effect of one activity is called by externalities. Munger, C. M. (2009. p. 193-196) tell that "If I do something that affects you, positively or negatively, without your consent or without my own ability to withhold a benefit unless you pay, then that is an *externality*". Therefore, the purpose of this article is to explain how the externalities of Kedai IPS in social community science education whether the externalities of the consumer positive or negative of eksternality.

B. MATERIAL AND METHOD

1. Material

a. Definition of Externalities

According to the classical approach that market can organize by itself, but some time the market cannot allocate economic activity well. It is condition make the market is failure. Arnold, (2008, p. 380) say that "when a market produce more or less than idea or optimal amoung of particular good, economics sat there is market failure". As the result of market failure can disturb equilibrium market and externalities will be appears.

Nicolson (2002), Arnold (2008), mankiw (2008) describes the eksternalities is a situation which the production or consumption good affects the third person which is not actually involved in the transaction.

b. Type of Externality

The existence of an activity will certainly have impact on the environment/community that exists in the region, the impact may be beneficial and also for those who feel the impact of the activity as described by mankiw, 2008, p.204) where:

"An externality arises when a person engages in an activity that influences the well-being of a bystander and yet neither pays nor receives any compensation for that effect. If the impact on the bystander is adverse, it is called a *negative externality*. If it is beneficial, it is called a *positive externality*. In the presence of externalities, society's interest in a market outcome extends beyond the wellbeing of buyers and sellers who participate in the market to include the well-being of bystanders who are affected indirectly".

Same meaning with mankiw, Arnold, 2008, p. 381 tell that "a negative eksternality exits when a person's or group's actions cause a cost (or adverse side effect) to be felt by others and a positive ecternality exists when a person's or group's actions cause benefit or beneficial side effect to be felt by others".

Basic definition of eksternalities from mankiw and arnold, the externalities are divided into two tipe, first tipe is the positive externality. Possitive externalities is the impact of an activity for other person who felt the impact and they positive feeling for that activity. second is the negative externalities resulting from an activity in which the party is feeling the impact of losing the existence of the activity.

Positive externalities and negative externalities can be viewed from the consumer side and from the consumer side. Eksternalities devided by two points: "1. negative externalities occur when the cost of producing or consuming a good effect are not involved (example pollution); production level is higer than efficient because the marginal private cost, which is the actual cost as the affiliate society, firm produce too much and create a deadweighloss for society, government 2. Negative externalities occur when the benefits of producing and consuming consuming is lower than efficient because marginal private benevit is lower than marginal social benevit Which is the actual cost as it affect society, consumers buy too little and create a dead weighth loss for society. Government usually intervenes to make sure enough of the good is produced (Droste, J. Kuperblum, E and Yogan, S., 2004, p.4)

More detail the externalities can be grouped into four namely: positive consumer externality, negative consumer externalities, producer positive externalities, negative externality of producers. Graphically the explanation related to externality has been described by some of Mankiw's figures (2008, p.206-208), Arnold (2008, p.386-388).

c. Solutions to overcome Externalities

Ronald Coase (1960) stated that the externalities can sometimes be overcome by the market itself, where the parties are involved in an activity that has the effect of negotiating to resolve the issue. The process of negotiation to resolve the externalities occurring in economic theory is called Theorem Coase. Sometimes theorema coase can not overcome the externalities generated from an activity. Eksternalities overcome the necessary intervention from policy makers, for example is from the government.

2. Method

a. Types of research

This research type is descriptive with qualitative approach,

1. Data Method. The data used is qualitative data, qualitative data is data in the form of words and is a source description of a wide and cocktake based. which explains the processes occurring in the local environment (Milles and hubberman translated by Tjepjep 1992, p. 1). The method used is interview and observation. Interview data was collected from Dr. Alfiana Yuli Efiyanti (the chif of Sosial science education department in FITK UIN Malang), Fakhita Irfa and Nurlaili Fitryiah (consumer of Kedai IPS), and M. Zulfikar (producer of chips in batu)
2. Data Analysis. Anaysis data for this issue as miles and huberman with four stages, where the stages are interrelated (Milles and hubberman translated by Tjepjep 1992, p. 15-21). Four step of analysis data are:
 - a) Data collection, this stage aims to collect data from informans
 - b) Data reduction, Data obtained from the field then transformed (selected, self, summarized/simplified), where the process is done until the research report is completed.
 - c) Presentation, is the activity of compiling information based on data that has been found and reduced
 - d) verification, final stages of qualitative analysis is the conclusion / verification where before giving conclusions related to an event that occurs then the data that has been collected must be tested Validity. Validity is a test of data related to its truth, its robustness and its compatibility. The validity test used is the source and validity methods.

C. RESULT AND DISCUSSION

1. Description of Research Subject

The beginning of the establishment of an IPS store is the initiative of entrepreneurship students of PIPS fiveth semester at academic year 2015/2016, especially at C and D class. The students have inspiration after listening the lecturer's explanation. Lecturer say that practical experience is very necessary in course materials, especially entrepreneurship courses. Finally Kedai IPS was formed. Chairman of Kedai IPS is Cahyati Subechiana, secretary alvin nur mahidah, treasurer Dwi Febrianti and 23 students that divided by some division. Devision in Kedai IPS is divided into six divisions: Production, marketing, gasket, delivery, goods selection and bazaar team.

Kenai IPS is currently a business unit engaged in buying and selling, business activities are divided into two major groups: first namely Home made product with capital and second product without capital. The products offered are divided into two: First is home industry own products such as Nugget Tuna of various flavors, Mango Smoties, and es kopyor, Fried Potatoes with spicy. Second is product re seller. Both reseller products are various fruit chips and mix nut.

Some events have been followed by kedai IPS such as: Alumni Gathering Department of PIPS, OLIPS (Olimpiade IPS) and CFD (Car Free day). Currently IPS store will officially inaugurate the establishment as part of existing facilities in the PIPS department so that more benefits will be received by the community PIPS.

2. Externalities of Kedai IPS On Academic Community Social Science Students of Faculty Education And Teacher Training

Establishment of kedai IPS can be impact for community activities around the kedai IPS, it is certainly feel the impact of these activities. an externality arises when a person has engaged in an activity that affects others, while the affected person does not receive any reward for the impact it generates. If the impacts that occur losed benefits called Positive externalities, and vice versa if the impacts that occur / harm to the feel is called a negative impact (Mankiw, 2006, p.250).

Positive externalities caused by the Kedai IPS for the academic community of PIPS Department are:

a. Positive Externality of Consumer Store PIPS for the Academic Community of PIPS Department

- 1) Store can improve Understanding of Course (Entrepreneurship). Kedai IPS activities from the Planning Process to the evaluation of the marketed products can improve students' ability. According PIPS Kajur Ms. alfiana Yuli Efianti, MA with the IPS shop can improve the quality of understanding of subjects, such as subjects Entrepreneurship, students will be provided with applicative learning. If further developed this shop will also support for the course of Business Feasibility Study and Economic Cooperation. A similar opinion was expressed by Ibu Diah Ambarumi munawaroh, M.Pd. explained that with this store is very helpful, because IPS shop can be used as a suitable vehicle to apply the theory that has been taught in the class, students can understand directly how the market conditions in real terms so that it can generate new ideas in making products, market and evaluate products they have marketed. The learning of the theory must be supported by practice, especially in the course I am experiencing during practical learning will be found some problems which in theory have not been explained because it is casuistic. The findings related to the IPS store can support students' understanding of the subject according to the observation result when the IPS stalls open at the OLIPS event held by HMJ IPS, found the condition where the students are busy preparing their products. Some student arranging the product display on the table, some student is frying tasty mushroom nuggets, the marketing devision is busy making lists for the price list. mangga smoties devision decorate their products to be interesting. Because one of the competencies of the entrepreneurial course is the student is able to do product planning to evaluate the products until how to evaluate the product.
- 2) Increase Accreditation Value. Accreditation is one of the media to show the capability of one major in university gy our government. The assessment uses 9 standards. Where in the fifth standard on the curriculum of learning and academic atmosphere. Contents associated with the standard V require the existence of a laboratory. The existence of Kedai IPS can be use as labolatories in PIPS department. The existence of the kedai IPS can support accreditation. The head of the PIPS department, Alfiana Yuli Efiyanti say that If the IPS shop can be recognized as a department labolatorium, then the existence of IPS shop can increase the value of accreditation. Because in the instrument that must mention what labolatorium owned by the study program.
- 3) Product Quality More Guaranteed. Decision Buying consumers to buy a product of course influenced by many factors, it also happens to consumers who will buy products fromkedai IPS. Quality of service is determined by five dimensions, Parasuraman in Zeithaml and bitner, 1996, p. 118 mentions five dimensions of tangibles (physical evidence), reliability, responsiveness, assurance, emphasis.

Based on the interview with Ibu Nurlaili Fitriah she stated that with the existence of IPS shop for example when he consumed "potato fries and es kopyor" for his son, laeli said the

products he consumed are more assured of quality, because he knows the quality of the ingredients used in the products that was consumed.

In line with Mrs. Laili, Fakhita Irfa one of staff of PIPS department The product produced by kedai IPS gives a sense of satisfaction because of the loss of worry. That product consist of material that can be trust by customer. This statement shows that the quality of kedai ips service is good performance. Graphically, the externalities of the positive externalities raised in points one and two are positive consumer examples, as stated in the following figure.

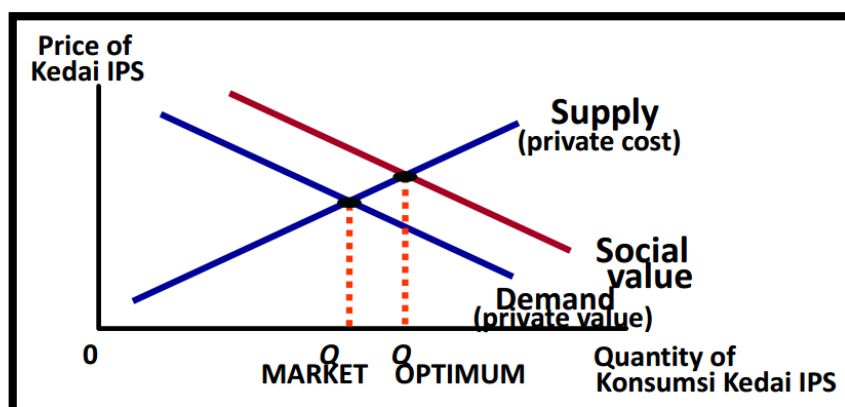


Figure C.1: Positive Externalities of PIPS Store consumers

Efficient market conditions when the demand curve intersect with the supply curve, because at that time created the state between private cost (Supply) with private value (Demand) has the same value. When the externalities occur then the market fails to play its function properly so that Supply conditions are not the same as Demand. At present, the benefits felt by community PIPS (Social Value) are more beneficial than those perceived by the members of IPS (private value), such benefits can be: increasing the understanding of the subject, increasing the value of accreditation and the quality of the product is more secure. The implications of the existence of the store based on the analysis of the externality graph shows that the existence of the shop needs to be improved by increasing the consumption of the IPS store when the consumption of the store increases so that the social value can increase and Q is optimum equal to the market Q .

b. Positive Externality of PIPS Store Manufacturer for Academic Society of PIPS Department

The form of positive externalities of producers is the existence of a store can improve the welfare of the surrounding community. Zulfikar as one of the chips industry owner explained that with the IPS Store he can expand its market share, although at the time of offering its products in the PIPS store then the label used must include the store label on the product.

In line with Mr. zulfikar, Fakhita as the owner of the elfakhra collection stated that with the Kedai allows him to cooperate with the store to increase his production turnover. Because one of the student business activities of the shop is to become a reseller.

Based on the theory of Mankiw (2008) Nikolson (2007) the emerging externalities are positive producer externalities, as illustrated in the following figure:

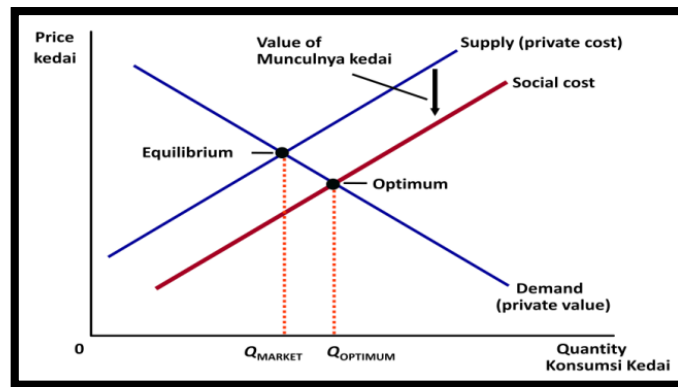


Figure C.2: Eksternalitas positif produsen

As has been presented before the equilibrium condition is reached if $D = S$ and quantity reach Q market. However, in the event of a positive externality of the manufacturer then indicates the market fails to function properly. So the social cost curve is bigger than the supply curve (private cost).

Because the social cost is greater than the Private cost then Q actually desired by PIPS community, bigger than Q market. In the case of IPS stores, the producer's positive externalities are felt by other parties / producers. So as to achieve the Q desired by the Q community PIPS then the quantity of store assumption should be leveled, one of them by improving PIPS performance and the need of related parties to help facilitate so that many new producers will join the kedai IPS.

c. Negative Externality of Consumer Store PIPS for Academic Society of PIPS Department

The presence of IPS stores for the academic community of PIPS Department bring a negative externality that is disrupt the implementation of lectures at the location around the implementation because currently PIPS has not had a special place (fixed location), marketing system there are two first is open-store (join in some even erroud UIN) the second online open shop.

In the system of open-store marketing is done at a certain event on campus or outside campus such as Alumni gathering, Olympic execution, CFD (car free day) and graduation. When an event is done campus if it happens during the day effectively then the implementation of most events in front of building A and Building B so that interfere with teaching and learning activities. This is consistent with the observations made from the 2nd floor of the rehabilitation building with A and B seen by some students who are enjoying the dishes served so that this will attract the attention of students who are in the class or outside the classroom to see the activities that occur around them. Based on the externality toeri the consumer's negative externalities can be described as follows:

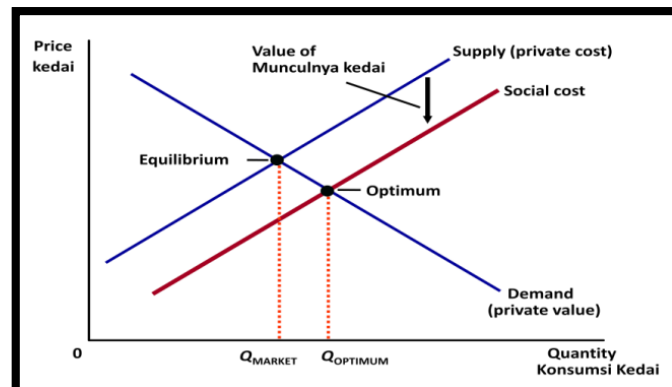


Figure C.3 Eksternalitas Negatif Konsumen

Based on the picture above shows the existence of negative externality of the consumer because the condition Quantity (Q) desired by the market is not in accordance with the Q desired by the IPS community. The condition is shown by the value image for a consumer (private value) is greater than the social value so that it can be interpreted Q produced the market should be less.

This condition is in the case of IPS stores due to negative externalities which are found to be unfavorable parties when the store is established. Negative externality that arises is the presence of parties who feel disturbed by the store. Currently the store operates when there are big events such as alumni gathering, Olips, FJA, Graduation. At the time the store joined in the booth opened by FJA the problem occurred because of its location along the street of building A and building B. finally lectures become disturbed. So there is a cost that must be incurred by the store so that it does not happen again and social value equal to private cost.

D. CONCLUSION AND RECOMMENDATION

1. Conclusion

- a. First positive consumer externality that is improving the quality of entrepreneurship learning in social science students, supporting the accreditation assessment program, consumer products more satisfy with the product consumed
- b. Second positive producer externality is the existence of the store IPS can increase welfare of social science community
- c. Third negative consumer externality is Kedai IPS would bring the effects of teaching and learning process in the classroom because it is located around in the class room

2. Recommendation

In fact, externalities can be solved, one can internalize externalities. Internalize externalities can be done by:

- a. The existence of support from the academic community at FITK UIN Malang
- b. The availability of a special place so that the existence of the store will not interfere with the existing lectures

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