

Economics Department Mission Statement

The mission of the Economics Department at the University of Pittsburgh at Johnstown is to develop the ability of our students to understand economic concepts and the skills to apply those concepts to the making of intelligent decisions for themselves, in business life, and in public policy.

The central goals of an education in economics are to acquire:

- an understanding of how markets operate, the role of supply and demand, the efficiency advantages of a market system, and the conditions and public policies necessary for markets to operate well.
- an appreciation of the usefulness of economic models in explaining the behavior of individuals, firms and governments and in understanding the microeconomic and macroeconomic interactions among individuals, firms and governments.
- the ability to apply principles of economics such as opportunity cost and marginal analysis to make decisions in a rigorous fashion, when faced with the problems of conflicting goals and uncertainty.

Courses in economics will provide students the opportunity to develop their skills, especially:

- the skill of acquiring economic data from private and public sources and interpreting that data meaningfully.
- the skill of abstraction and the art of striking a balance between generality and relevance in problem solving.
- the skill of deductive argument, the ability to make one's assumptions explicit and to realize what the consequences of one's assumptions are.
- the skill of presenting economic relationships in graphical and mathematical form.

Courses in statistics, algebra and calculus are vital to an education in economics and business since they lay the foundations for the development of the above skills.

Specific economic concepts which are necessary to develop these skills are introduced in the introductory microeconomic and macroeconomic theory courses and are developed and applied in upper level courses. They include:

1. the notion of opportunity cost, which reminds us to always consider the costs and benefits of alternatives to any course of action.
2. supply and demand analysis, which enables us to predict the impact of changes in the costs and benefits faced by producers and consumers on market equilibrium.
3. marginal analysis, which stresses the impact of changes in costs and benefits on the optimal course of action, and allows us to analyze our decisions rigorously.
4. economic efficiency, and how the market system achieves it and whether and how it may be improved by public policies in different market structures or in the presence of external costs and benefits.
5. long-run economic growth and its determinants, and the role of the market and public policies in furthering or hindering growth.
6. short-run economic fluctuations and their causes and effects.
7. the role of financial markets in both long-run growth and short-term fluctuations.
8. the growing importance of international economic relationships

The introductory microeconomic and macroeconomic courses **introduce** these basic concepts to the student. Upper level courses will **apply** those concepts to specific fields of economics and will **integrate** real-world data with economic models appropriate to the course, and develop the student's ability to effectively **communicate** the results of economic analysis to others.