

Goals and Mission of the Department of Economics Johannes Kepler University Linz

General Remarks

The Department of Economics at the JKU Linz is committed to academic research and teaching on a high level of quality which meets the standards set by leading universities, both domestically and in international comparison. Our teaching is firmly rooted in our research standing and competence. Through its activities, the Department aims to contribute to the solution of today's most important economic problems.

Research

Our primary goal is to reach a high level of recognition in the international scientific community through the publication of research papers in refereed journals, as well as through presentations at academic conferences and publications in conference volumes and edited books. In their research focus and methods, Department members orient themselves towards the standards employed by international scientific journals for publishable research. In addition, Department members aim to play an active role in scientific associations.

The Department tries to strike a balance between basic theoretical and applied research. In both contexts we place emphasis on academic research, i.e., research that is financed out of the general budget and therefore independent of the interests of specific groups in society. Our applied research focuses particularly on questions related to Austria's economic situation and development, including current economic policy issues.

The fields of research are determined by the specific interests and experience of Department members. At the same time, the Department is responsive to recent developments in science and to needs arising from new problems in society. Currently, our research is focused on the following areas:

- a) Labor Economics
- b) Taxation and Social Policy
- c) Economic Analysis of the Environment
- d) International Economic Relations and Economic Integration

- e) Economic Theory of Politics and Constitutional Economics
- f) Industrial Organization

In all of these fields, our success in research is widely documented by publications in internationally refereed and highly regarded scientific journals. Independent studies evaluating publication records of economics departments throughout Austria, Germany and Switzerland show that the Department of Economics at the JKU Linz has accumulated an impressive standing and degree of international recognition. Details can be found on the Department's homepage: www.economics.uni-linz.ac.at. The activities planned for the future will follow the above-mentioned priorities, while duly responding to new challenges. Department members have repeatedly shown their willingness to adjust their scientific activities in accordance with new scientific developments and societal needs, as, for instance, in the context of problems with old age security systems or the integration of Central and Eastern European countries into Western Europe.

Scientific research is subject to uncertainty, hence success will not evenly show up in all activities pursued within the Department. Thus, while success in the aforementioned sense ought to be an important criterion for internal allocation of Department resources, the Department will always be aware of this fundamental uncertainty. Moreover, it will follow a democratic and consensual strategy when reallocating its resources and restructuring its activities.

We attribute great importance to co-operation, internally as well as with researchers from other institutions. Thus, of the 251 discussion papers that the Department has produced between 1993 and 2001, about 40 percent were co-authored. In turn, 65 percent of these co-authors were from outside the Department, most of them from abroad. The Department will continue encouraging and supporting such collaboration in the future.

Teaching

In a similar manner, it is our goal to provide students with an education that meets international academic standards. University education needs to be firmly rooted in the results of scientific research. Accordingly, the specific teaching competence of any Department derives primarily from its standing in research. In this sense, our striving for excellence in academic research is also an indispensable element for our teaching effort.

Undeniably, the quality of decision-making in almost all segments of modern society depends on a broad knowledge of basic principles of economics. This is true, specifically, for fundamental economic interdependencies as well as the impact of entrepreneurial strategies and government policies on incentives for different agents in society. We therefore regard it as a core mission of our department to contribute to a broad entrenchment of economic under-

standing in society. Towards this end, we offer introductory economics courses for several programs teaching insights into basic economic relationships and economic reasoning. In this way, students are enabled to identify fundamental determinants of economic trends and changes, and to explore likely consequences for their respective professional environments. Business students will obtain important insights into the functioning of market interactions and the economic principles behind decision-making in firms.

In addition to this broad orientation, the Department is firmly committed to a full-fledged, dedicated economics program which is offered as an integral part of the JKU Economics and Business program. We offer advanced theory courses where economics students receive a solid training in general economic thinking based on abstract models. In addition, a series of specialized courses aim at more detailed knowledge in various core areas of economics. The general objective of our teaching is to convey a “universally” applicable set of economic instruments, but also – and this distinguishes our Department’s teaching from a mere passing on of techniques – to foster critical reflection of conventional wisdoms in the realm of economics. Moreover, our teaching incorporates a crucial awareness of the limits of the theories and methods presented. Students will also develop a deeper understanding of the institutional framework, not only of the Austrian economy, but also on an international – particularly European – level. Furthermore, we place great emphasis on empirical applications and on methods required for a scientific approach to empirical issues. Finally, in a more general vein, our teaching is intended to develop an adequate individual consciousness for social relationships and problems. In all of these dimensions, our teaching will put students in a position to play a constructive role in solving economic problems, both in their respective professional environments and for society at large.

Compared to other study programs, economics typically features only a small number of students. So does our economics program. This is certainly regrettable in view of the above-mentioned lack of widespread understanding of economics. At the same time, economics will never attract the masses. The recent design of a new study program has offered a welcome opportunity to make economics a more attractive field to study at JKU Linz. In particular, we strive for a better co-ordination between different courses, both within the Department and with other departments in our school. In addition, we now place even more emphasis on applying economic knowledge to practical problems. After a 3-semester introductory program, students may follow their individual interests in choosing among a variety of special fields of economics, such as:

- a) “Economic Growth, Business Cycles and Unemployment”
- b) “Public Sector Economics, Environmental Economics”
- c) “Financial Markets and International Finance”
- d) “Industrial Organization, Managerial and International Economics”

e) “Applied Econometrics and Statistics”

In emphasizing financial markets as well as an interconnection between business and economics, our program responds to a specific challenge of the present time. In addition, we offer courses in cultural history of economic reasoning. Due to the small number of economics students, our teaching is generally characterized by intensive interaction between instructors and students. An increasing number of courses are taught in English. This enhances the value of our teaching to domestic students, and will no doubt be a welcome service for our exchange students from all over the world.

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