



Committee for the Evaluation of Economics Study Programs

Tel-Aviv University
Eitan Begrlas School of Economics
Evaluation Report

May 2017

Contents

Chapter 1:	Background.....	3
Chapter 2:	Committee Procedures.....	4
Chapter 3:	Evaluation of Economics Study Program at Tel-Aviv University.....	5
Chapter 4:	General Recommendations	7

Appendices: Appendix 1 – Letter of Appointment

Appendix 2 - Schedule of the visit

Chapter 1: Background

The Council for Higher Education (CHE) decided to evaluate study programs in the field of Economics during the academic year of 2015-2016.

Following the decision of the CHE, the Minister of Education, who serves ex officio as Chairperson of the CHE, appointed a Committee consisting of:

- **Prof. Georg Winckler** - former Rector of the University of Vienna, Austria - committee chair (Emeritus).
- **Prof. Russell Cooper¹** - Department of Economics, Penn State University, USA.
- **Prof. David Dillenberger** - Department of Economics, University of Pennsylvania, USA.
- **Prof. Philippe Weil** - Solvay Brussels School of Economics and Management, Université Libre de Bruxelles, Belgium.
- **Prof. Eyal Winter²** - Department of Economics, Hebrew University of Jerusalem, Israel.

Ms. Maria Levinson-Or served as the Coordinator of the Committee on behalf of the CHE.

Within the framework of its activity, the Committee was requested to:³

1. Examine the self-evaluation reports, submitted by the institutions that provide study programs in Economics, and to conduct on-site visits at those institutions.
2. Submit to the CHE an individual report on each of the evaluated academic units and study programs, including the Committee's findings and recommendations.
3. Submit to the CHE a general report regarding the examined field of study within the Israeli system of higher education including recommendations for standards in the evaluated field of study.

The entire process was conducted in accordance with the CHE's Guidelines for Self-Evaluation (of September 2015).

¹ Due to scheduling constraints, Prof. Russell Cooper did not participate in the site visits to the University of Haifa, Ben-Gurion University and Bar-Ilan University.

² In accordance with the CHE's policy, Prof. Eyal Winter did not participate in the evaluation of the Economics department at the Hebrew University to prevent the appearance of a conflict of interests.

³ The Committee's letter of appointment is attached as **Appendix 1**.

Chapter 2: Committee Procedures

The Committee held its first meeting on 18.12.2016, during which it discussed fundamental issues concerning higher education in Israel, the quality assessment process, as well as Economics Study programs in Israel.

In December 2016, the Committee held its visits of evaluation, and visited the Academic College Tel-Aviv Yaffo, the College of Management Academic Studies, Tel-Aviv University, Ruppin Academic Center, the Open University, Tel-Hai Academic College, the Max Stern Academic College of Emek Yezreel, the Hebrew University, University of Haifa, Bar-Ilan University and Ben-Gurion University. During the visits, the Committee met with various stakeholders at the institutions, including management, faculty, staff, and students.

This report deals with the School of Economics at Tel-Aviv University. The Committee's visit to Tel-Aviv University took place on December 20, 2016.

The schedule of the visit is attached as **Appendix 2**.

The Committee thanks the management of Tel-Aviv University and the Eitan Beglas School of Economics for their self-evaluation report and for their hospitality towards the committee during its visit at the institution.

Chapter 3: Evaluation of Economics Study Program at Tel-Aviv University

This Report relates to the situation current at the time of the visit to the institution, and does not take account of any subsequent changes. The Report records the conclusions reached by the Evaluation Committee based on the documentation provided by the institution, information gained through interviews, discussion and observation as well as other information available to the Committee.

Since the last evaluation (2007/8), efforts have been made to recruit faculty and expand into promising fields, and to improve the working environment. However, fundamental weaknesses have remained, that manifest themselves in two dimensions: the faculty size has shrunk in the past 20 years by about a third and the shrinkage of the PhD program, which now consists of 5 candidates (i.e. an entry flow of about one candidate per year).

As a result, and despite maintaining a remarkable strength in economic theory, the overall state of the school is still “dire”⁴. Given this situation, we were puzzled by the administration’s seeming lack of awareness of this situation and the absence of a shared vision by the administration and the school for reestablishing the reputation of the school.

The school seems to be stuck in a bad equilibrium. The administration, on the one hand, is not willing to grant the necessary resources and support for the school to thrive. The school, on the other hand, is so fixated on the lack of resources and support that it neglects possible initiatives it could take on its own to help reestablish its former strength.

The administration plans to introduce a new formula for budgetary allocations among faculties and even departments, based on the PBC's formula. This will cause the situation to deteriorate even further. Such uncertainty regarding future budget is demotivating and harming to the school. Any budgeting formula implemented should take into account departmental performance with respect to subject rankings in order to correct imbalances and dispositions created by the model.

Despite the dire student faculty ratio (1:88⁵), the administration is not granting additional slots to the school, which results in high teaching loads of faculty

⁴ Previous economics evaluation report, 2007, p.

⁵ According to the data regarding faculty and student numbers provided in the school’s self-evaluation report.

members and in jeopardizing the level and breadth of education provided to undergraduate students.

The administration has created conditions that are not favorable to conduct research: not providing incentives for submitting research grants e.g, not allowing to “buy out” teaching time, inadequate compensation for research assistants, and no teaching credit for advising graduate students.

All these aspects need to be resolved in order to allow the school of economics to maintain its current existing strengths and reinstate its past stance as a leading economics department.

There are several actions the school can take to help reinstate its past strength, the first being internationalization. The MA program should become an international program, either jointly with other universities or as a standalone. This could bring in additional resources via higher tuition from international students, as well as help to attract international faculty.

The committee learned of an existing imbalance in the teaching load across the senior faculty. While pre-tenured faculty and senior faculty members enjoy a reduced teaching load, mid-career faculty members are overburdened with teaching. The school should maintain the special status of the tenure track faculty, yet correct the existing imbalance for tenured faculty (especially senior lecturers and associate professors).

The school seems unconcerned about the near disappearance of the PhD program. We find this situation extremely troubling. A vibrant and lively PhD program needs a critical mass, and the current stock of 5 candidates is not enough. The PhD program needs to be reinvigorated and strengthened. One possible solution is offering a direct PhD track after the BA level (a fast track).

The school should also offer more courses taught in English at all degree levels.

We recommend the school take the specified measures as we are convinced that once they assume reputation and strength the administration will respond accordingly.

Chapter 4: Summary of Recommendations

Essential:

1. Reestablish trust and implement measures to reduce the student faculty ratio. Two initial steps are needed:
 - a. The university administration must draft a new budgeting model, providing additional resources and removing existing disincentives;
 - b. The school has to draft a new model of undergraduate and graduate education, such as: building English taught courses and establishing a graduate program up to international standards and reach out to more external resources.
2. Reduce the teaching load of mid-career faculty without losing the attractiveness of the school for hiring untenured faculty.

Important:

1. The school should offer a direct PhD track for BA students.

Signed by:



Prof. Georg Winckler - Chair



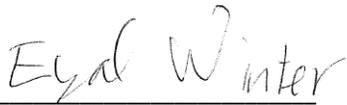
Prof. Russell Cooper



Prof. David Dillenberger



Prof. Philippe Weil



Prof. Eyal Winter

Appendix 1: Letter of Appointment



June 2016

Prof. Georg Winckler
University of Vienna
Austria

Dear Professor,

The Israeli Council for Higher Education (CHE) strives to ensure the continuing excellence and quality of Israeli higher education through a systematic evaluation process. By engaging upon this mission, the CHE seeks: to enhance and ensure the quality of academic studies, to provide the public with information regarding the quality of study programs in institutions of higher education throughout Israel, and to ensure the continued integration of the Israeli system of higher education in the international academic arena.

As part of this important endeavor we reach out to world renowned academicians to help us meet the challenges that confront the Israeli higher education by accepting our invitation to participate in our international evaluation committees. This process establishes a structure for an ongoing consultative process around the globe on common academic dilemmas and prospects.

I therefore deeply appreciate your willingness to join us in this crucial enterprise.

It is with great pleasure that I hereby appoint you to serve as the chair of the Council for Higher Education's Committee for the Evaluation of the study programs in **Economics**. In addition to yourself, the composition of the Committee will be as follows: Prof. Russell Cooper, Prof. David Dillenberger, Prof. Oded Galor, Prof. Philippe Weil, and Prof. Eyal Winter. Ms. Maria Levinson-Or will be the coordinator of the Committee.

Details regarding the operation of the committee and its mandate are provided in the enclosed appendix.

I wish you much success in your role as the chair of this most important committee.

Sincerely,


Dr. Rivka Wadmany
Vice Chair,
The Council for Higher Education (CHE)

Enclosures: Appendix to the Appointment Letter of Evaluation Committees

cc: Dr. Varda Ben-Shaul, Deputy Director-General for QA, CHE
Ms. Maria Levinson-Or, Committee Coordinator

Appendix 2: Site Visit Schedule

<u>Economics - Schedule of site visit</u>		
<u>Tel-Aviv University</u>		
Tuesday, December 20 ,2016 – Berglas building, room 101		
09:00-09:30	Opening session with the heads of the institution	Prof. Eyal Zisser - Vice Rector, Prof. David Horn - Head , Academic Quality Assessment
09:30-10:00	Meeting with the Dean of the Faculty of Social Sciences	Prof. Tammie Ronen Rosenbaum
10:15-11:00	Meeting with the Head of the School of Economics	Prof. Ady Pazner
11:00-11:10	Break	
11:10-11:55	Meeting with senior academic staff with tenure * (up to 8)	Prof. Zvi Neeman, , Prof. Itzhak Gilboa, Prof. Ran Spiegler, Prof. Alma Cohen, Prof. Neil Gandal, Prof. Moshe Hazan, Dr. Analia Schlosser
11:55-12:35	Meeting with senior academic staff without tenure * (up to 8)	Dr. Ofer Setty, Dr. David Weiss, Dr. Sarit Weisburd, Dr. Itay Saporta Eksten
12:35-13:15	Meeting with Adjunct academic staff * (up to 8)	Dr. Yael Benjamini, Dr. Gali Ingber, Dr. Roy Sasson, Dr. Roy Shalem, Dr. Tal Mofkadi
13:15-14:00	Lunch (in the same room)	Closed-door meeting of the committee
14:00-14:45	Meeting with BA students**	
14:45-15:30	Meeting with MA and PhD students**	
15:30-16:15	Meeting with Alumni**	
16:15-16:35	Closed-door meeting of the committee	
16:35-17:00	Closing meeting with heads of institution, the Dean of the Faculty of Social Sciences, and the Head of the School of Economics	Prof. Eyal Zisser - Vice Rector, Prof. David Horn - Head, Academic Quality Assessment, Prof. Tammie Ronen Rosenbaum – Dean, Prof. Ady Pazner – Head of the School