



**Committee for the Evaluation of Economics Study Programs**

**University of Haifa**  
**Department of Economics**  
Evaluation Report

**May 2017**

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## **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 Cooper<sup>1</sup>** - 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 Winter<sup>2</sup>** - 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:<sup>3</sup>

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).

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<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> The Committee's letter of appointment is attached as **Appendix 1**.

## **Chapter 2: Committee Procedures**

The Committee held its first meetings on 18.12.2016, during which it discussed fundamental issues concerning higher education in Israel, the quality assessment activity, 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 Department of Economics at the University of Haifa. The Committee's visit to the University of Haifa took place on December 27, 2016.

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

The Committee thanks the management of the University of Haifa and the Department 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 Haifa 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.*

The committee was impressed with the latest positive changes and developments in the university and in the department. We believe that the changes in policy and willingness from administration to advance economic studies in the university are a positive step in the right direction to rebuilding and strengthening the department. The administration is aware of the gravity of the situation, and the joint decision by the department and the administration to expand the department by 50% (from 10 to 15) is encouraging.

The department has a low number of faculty members and has been struggling to expand for quite some time. It seems that the previous recruiting policies, at the university level did not take into account the unique character of economics, which has a different recruiting culture than other fields in the social sciences, and targets excellent PhD graduates with little or no publications. We are impressed by the current administration's commitment to prioritize quality over quantity in the promotion of faculty members, and prefer fewer publications in top economics journals rather than larger amounts of publications in lower rank journals. We are optimistic that the new administration will be more flexible and draft clear and competitive recruiting and promotion policies that are adapted to the culture in economics and align with the common practice in the field.

The department is building its strength in microeconomics theory and behavioral economics. However, it is lacking strength in important fields such as macroeconomics and empirical economics. Given the size of the department such a niche strategy makes sense. However, given the planned expansion of the size of the faculty and its regional role, being the sole provider of graduate education in economics in the north of Israel, a broader strategy should be considered.

The committee recommends that the recruiting policy and process become fully internationalized. The current targeted market is extremely narrow and highly competitive. The department should announce the opening of slots and interview job candidates internationally including candidates who have no prior attachment to Israel. The perceived candidate's commitment to remain in Israel should not be a

criterion for recruitment. The presence of highly qualified faculty members in the department should be appreciated and desired even if the department expects the faculty member to leave within a few years.

There seems to be a lack of a structured mentoring program for junior faculty by senior faculty. Such a program should be implemented, and include mid-term reviews and evaluations to help direct them during the tenure process. There should be clear promotion guidelines at the department level and greater transparency regarding expectations.

The committee learned that adjunct faculty teach introductory core courses in economics. As a rule, such a practice should be kept to a minimum, and it must be ensured that adjunct faculty members keep in touch with the recent advances in the field.

The study program should have a better balance between theory and practice. More English courses should be offered (especially given our suggestion for international faculty recruiting), as well as an update of statistical software, and courses on the use of big data. There should be more internship and opportunities for real world experience.

The PhD Program is a cause for concern. The program at its current state is weak and seems to lack focus. A clear strategy regarding the vision and goals of the program should be articulated.

## **Chapter 4: Summary of Recommendations**

### **Essential:**

1. The administration and the department must make sure that the additional five positions are filled, without diminishing the quality of the department.
2. The recruiting policy and process has to become fully internationalized.

### **Important:**

1. The administration should establish clear and competitive recruiting and promotion policies that are adapted to the culture in economics and align with the common practice in the field.
2. The administration and the department should decide whether to follow a niche or a broader strategy.
3. There should be clear promotion guidelines at the department level and greater transparency regarding expectations.
4. When adjunct faculty teach core economics courses, the department should ensure that they are knowledgeable with the recent advances in the field.
5. The department should offer more English courses, as well as an update of statistical software, and courses on the use of big data.
6. A clear strategy regarding the vision and goals of the PhD program should be articulated.

**Signed by:**



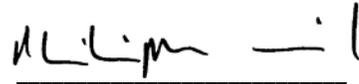
Prof. Georg Winckler - Chair



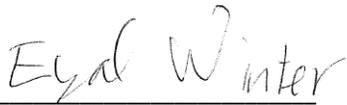
Prof. Russell Cooper



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.

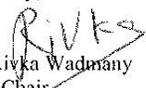
I therefore deeply appreciate your willingness to join us in this crucial enterprise.

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***

<b>Time</b>	<b>Subject</b>	<b>Participants</b>
09:30-10:00	Opening session with the heads of the institution	<b>Prof. Gustavo S. Mesch</b> , Rector <b>Ms. Ruchama Elad-Yarum</b> , Manager, Unit for Academic Quality Evaluation, Office of the Rector <b>Ms. Noy Snir</b> , Unit for Academic Quality Evaluation, Office of the Rector
10:00-10:30	Meeting with the Dean of the Faculty of Social Sciences	<b>Prof. Eran Vigoda-Gadot</b> , Dean of
10:30-11:10	Meeting with the head of the Economics Department	Prof. <b>Doron Kliger</b>
11:10-11:20	Break	
11:20-12:00	Meeting with senior academic staff *	<b>Prof. Avner Bar-Ilan</b> <b>Prof. Todd Kaplan</b> <b>Prof. Moshe Kim</b> <b>Dr. Alan Miller</b> <b>Prof. Shiran Rachmilevitch</b> <b>Dr. Anna Rubinchik</b>
12:00-12:30	Meeting with senior academic staff without tenure*	<b>Dr. Amnon Maltz</b> <b>Dr. Moti Michaeli</b> <b>Dr. Assaf Sarid</b>
12:30-13:10	Meeting with Adjunct academic staff *	<b>Mr. Yosef Haham</b> , Advocate <b>Mr. Noah Itsik</b> , CPA <b>Dr. Andrey Kudryavisev</b> <b>Ms. Dvora Melnik</b> <b>Mr. Arnon Rachkovski</b> , CPA, Accounting Advisor <b>Dr. Yael Zepkowitz Malachi</b>
13:10-13:50	Lunch	
13:50-14:30	Meeting with BA students**	
14:30-15:15	Meeting with MA and PhD students**	
15:15-16:00	Meeting with Alumni**	
16:00-16:15	Closed-door meeting of the committee	
16:15-16:35	Closing meeting with heads of institution, the Dean of the Faculty of Social Sciences, and the Head of the Economics Department	<b>Prof. Gustavo S. Mesch</b> , Rector <b>Prof. Gad Barzilai</b> , Vice Rector <b>Prof. Eran Vigoda-Gadot</b> , Dean of the Faculty of Social Sciences Prof. <b>Doron Kliger</b> , Head of the Department of Economics <b>Ms. Ruchama Elad-Yarum</b> , Manager, Unit for Academic Quality Evaluation, Office of the Rector <b>Dr. Michal Daloya</b> , Unit for Academic Quality Evaluation, Office of the Rector