



Committee for the Evaluation of Economics Study-Programs

Bar Ilan University

Evaluation Report

November 2008

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Chapter 1 - Background

At its meeting on October 10, 2006 the Council for Higher Education (CHE) decided to evaluate study programs in the fields of Economics during the academic year 2007-2008.

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

- *Prof. Elhanan Helpman* - Harvard University, U.S.A.
- *Prof. David M. Kreps* – Stanford University, U.S.A. Committee Chairperson.
- *Dr. Leora Meridor* - The Private Sector, Israel.
- *Prof. Joel Mokyr* - Northwestern University, U.S.A.
- *Prof. Ariel Pakes* - Harvard University, U.S.A.
- *Prof. Robert S. Pindyck* - Massachusetts Institute of Technology (MIT), U.S.A.

Ms. Noa Nof Steiner - Coordinator of the committee on behalf of the Council for Higher Education.

Within the framework of its activity, the committee was requested to¹:

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

The entire process was conducted in accordance with the CHE's Guidelines for Self-Evaluation (of December 2006) and on the basis of the questions regarding the mission of the departments of Economics which were compiled by the committee.

¹ An example of the Letter of appointment for the committee members is attached as **Appendix 1**.

Chapter 2 - Committee Procedures

The Committee members received the self-evaluation reports, in November 2007, and began to hold discussions regarding these reports.

The Committee held its first meeting on March 24, 2008, during which it discussed fundamental issues concerning Economics study programs in Israel and the quality assessment activity.

In March-April 2008, the committee members visited the institutions. During the visits, the committee met with officials of each institution as well as faculty and students.

This report deals with the **department of Economics, Bar Ilan University**.

The committee's visit to Bar Ilan University took place on April 3, 2008. The following committee members participated in the on-site visit: Prof. David Kreps, Dr. Leora Meridor, Prof. Joel Mokyr, Prof. Ariel Pakes and Prof. Robert S. Pindyck. The schedule of the visit, including the list of participants representing the institution, is attached as **Appendix 2**.

The committee members thank the management of Bar Ilan University and the Department of Economics for their self-evaluation report and for their hospitality towards the committee during its visit to the institution.

Chapter 3: Evaluation of Bar Ilan University - Department of Economics

* The evaluation is based on the information and the data provided in the self-evaluation report, the committee's visit to the institution and the general impressions of the committee.

The Department of Economics at Bar Ilan University was established in 1972 and has been on a fairly steady trajectory of improvement since. Today, at 27 senior faculty members, it is the largest Department in the country (measured by senior faculty members). Faculty members are active in research, and the department has particular strengths in the fields of political economics and social choice. Faculty members, by and large, feel connected to the department---they clearly regard it as their department; they are proud of its achievements and look forward to more.

The Department offers B.A., M.A., and Ph.D. programs. As with virtually all B.A. programs in Israel, the strong majority of undergraduate majors are on pre-professional tracks that mix their economic studies with studies of business administration or accounting. The number of B.As. produced in recent years has averaged approximately 320, leading to an undergraduate to senior faculty ratio in excess of 45 to 1. The number of undergraduates jumped dramatically for the group of students that graduated in 2005-6 (from 181 BAs in 2004-5 to 307 in 2005-6), and we are given to believe that this was accomplished at the behest of central administration of the university, to deal with cuts in funding from the government, by lowering entrance standards. This has resulted in very large class sizes, too large (in our opinion) for optimal education. Nonetheless, and while we will point to some specific weaknesses in the undergraduate program further on in this report, the undergraduate major seems generally well structured, with a wider variety of field courses than at most other Israeli institutions of higher education.

The graduate programs are also solid. The M.A. program has two tracks, one in theoretical economics and one in business economics, and while we met only with students from the first track, they were generally quite happy. We were impressed in particular with the fact that graduate students are doing serious applied (empirical) work, something that is too rare at Israeli institutions in general. A substantial proportion of the graduate students were undergraduates as well at Bar Ilan, and while we admire the institutional loyalty (and implicit good report) that this represents, we worry about insularity and inbreeding. These worries are compounded to some extent by a sense we had from students that they do not “get around” to seminars at other universities in Israel (notably, at Tel Aviv); they were most receptive to the idea of an

Israel-wide graduate program that would allow students to take advantage of resources at other universities.

Relations between the University leadership and leadership in the Department seem good, after a period of less cordial relations, during which overhead spending and support for research and conferences were limited, and the University seemed to be trying to balance its books by admitting more economics students. The picture, at least in terms of spending, seems much better today: We are pleased that the University and Department are cooperating in raising funds to support the Department, and we were impressed in particular with the improvements in physical infrastructure that we saw (in the library), using the funds raised so far.

Strengths

- The greatest strength of this department is a solid and well balanced (in terms of fields and demography) faculty, consisting of individuals who strongly identify with and are willing to contribute to the continued development of the faculty and of economics at Bar Ilan.
- The leadership of the university and of the department are also strengths; after a period of seeming contention, the department and the university seem to have cordial relations and share a common purpose of improving the department.
- The undergraduate curriculum is well balanced, generally, with a good selection of field courses.
- The graduate students were generally positive and, as already observed, we were impressed with the amount of good applied (empirical) work being done, both at the masters and the doctoral level.

Weaknesses

- The undergraduate program has some “factory” aspects: There are too many students for the faculty to handle as well as they might; students complain that the teaching quality is uneven, sometimes dramatically so; they complain that in many courses, the links between application and economic theory/frameworks are missing. We were particularly troubled by reports that undergraduates in the first year feel that they must seek extra-institutional tutoring from an individual unconnected to the university who was identified in our meetings as “Shuli”;

students were convinced that Shuli's instruction on "how to pass the tests" is essential to survival of the first-year exams.

- We understand all too well that students always complain about unevenness in teaching, and economics students always argue that their coursework is insufficiently applied (and what is applied is insufficiently linked to theory). But complaints of these sorts at Bar Ilan were louder than at peer institutions; it may be that students at Bar Ilan are simply more willing to complain, but we see this as evidence that these problems are more acute at Bar Ilan.
- We further got a strong sense that undergraduates feel somewhat isolated from and unlistened to by the Department. These are also common complaints of undergraduates, but they were louder and were stated more vociferously at Bar Ilan than at other institutions.
- The population of graduate students---at least the ones we met---has too heavily weighted towards graduates of Bar Ilan to our taste, and the students seemed to us to be too isolated from the larger community of Israeli graduate students in economics.

Summary Judgments and Recommendations

Overall, this is a solid, well-functioning department. The self-study indicates that the parties involved are proud of their department and its accomplishments to date, and they have a right to be proud. But this pride can breed complacency. To be very clear, we saw no overt signs of complacency and, indeed, we were impressed by the aspirations of the senior faculty and leadership of the department. But we want to begin our recommendations with a general admonition against any sense of complacency. While we put little stock in the actual numbers of departmental rankings, we note that in several rankings of departments of economics world-wide that we have seen, Bar Ilan is typically placed between 100th and 150th in the world. That is good, but the department should not be content: Department and university leadership should work towards improving those rankings. Aspirations should be to become, say, between 50th and 75th in five to ten years. In particular, the faculty is solid, but it could be stronger; the university should provide the resources and the Department the intellectual impetus to hire the strongest scholars possible.

Graduate students should be encouraged and provided the wherewithal to take greater advantage of seminars at other universities around Israel. Bar Ilan should increase efforts to attract eminent scholars from other institutions, who could offer mini-courses of particular interest to graduate students.

Notwithstanding the recent increase in resources available to the Department, the committee believes the burden of undergraduates on the faculty continues to be too high. Either the Department should grow in size (of senior, permanent faculty), or the number of undergraduates should be decreased.

Departmental leadership should increase efforts to talk to and understand the concerns of undergraduates. Theory and practice in undergraduate courses should be more tightly integrated. As will be clear from our general report, the Committee worries that courses in management and accounting are insufficiently integrated with the core economics curriculum; Bar Ilan would be doing a great service to economics education in Israel if it took on leadership of this task, something it might be well suited to do, as it has a particularly well balanced and well integrated department.

Signed by:



Prof. Elhanan Helpman



***Prof. David M. Kreps
Chairperson***



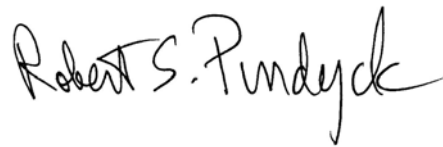
Dr. Leora Meridor



Prof. Joel Mokyr



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