Report on Bachelor / Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	Bc. Marek Šedivý
Advisor:	Doc. Julie Chytilová, PhD
Title of the thesis:	How does death of a household member affect consumption? The Case of Mexico

OVERALL ASSESSMENT (provided in English, Czech, or Slovak):

Please provide your assessment of each of the following four categories, summary and suggested questions for the discussion. The minimum length of the report is 300 words.

Contribution

In his thesis, Marek Šedivý studies the effect of a death of a household member on household consumption. In order to answer this research question, he analysed panel data from the household survey in Mexico. He contributes to the existing literature on this topic in several ways. First, while the existing studies focused on a death of a household member in general, Marek argues that an important factor which may play a role is the type of the household member who passed away. It is very reasonable to expect, for example, that a death of a child may have very different consequences as compared to a death of the main bread-winner in the family. The focus on this distinction makes, I believe, a nice contribution to the literature. Second, Marek also uses the advantage of having panel data from three waves of the survey and this allows him to study persistence of the effects.

Methods

To study his research questions, Marek uses appropriate econometric methods. He makes a good job by linking his approach to the previous studies. There are several limitations related to the analysis of the survey data which Marek had to deal with, e.g. attrition bias, limited information about the deceased person, missing answers to some of the variables, etc. I appreciate his careful approach and the fact that he clearly acknowledges these issues in the text. Also, another nice feature is that the main analysis is completed by an extensive set of robustness checks, which support the results of the main analysis. I believe that during the time who was writing the thesis Marek learned a lot not only about the specific econometric techniques but also about the ways how to understand and question the data which will be useful for him during his future research work.

Literature

The thesis provides a comprehensive review of the existing literature on the topic. The literature review section is relatively clearly structured and Marek seems to have a sound knowledge of the litrature, including the latest contributions. He also makes a good job by linking his hypotheses, methods and results to the existing literature.

Manuscript form

The thesis reads well and is written in good English. Some parts could benefit from streamlining and providing a bit clearer summary to the reader.

Summary and suggested questions for the discussion during the defense

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To sum up, I believe the thesis fulfills the requirements for a master thesis at IES, Faculty of Social Sciences, Charles University, and suggest grade A.

- When using fixed effects model, does it make sense to control for variables which are constant for a given household over time? For example, is there any variation in variables like the gender of the household head?

SUMMARY OF POINTS AWARDED (for details, see below):

CATEGORY	POINTS
Contribution (max. 30 points)	28
Methods (max. 30 points)	28
Literature (max. 20 points)	18
Manuscript Form (max. 20 points)	18
TOTAL POINTS (max. 100 points)	**92**
GRADE (A – B – C – D – E – F)	**A**

NAME OF THE REFEREE: Julie Chytilová

DATE OF EVALUATION: **August 30, 2019**

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Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

CONTRIBUTION: *The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.*

Strong	*Average*	*Weak*
30	*15*	*0*

METHODS: *The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.*

Strong	*Average*	*Weak*
30	*15*	*0*

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

Strong	*Average*	*Weak*
20	*10*	*0*

MANUSCRIPT FORM: *The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.*

Strong	*Average*	*Weak*
20	*10*	*0*

Overall grading:

TOTAL	GRADE
91 – 100	A
81 - 90	B
71 - 80	C
61 – 70	D
51 – 60	E
0 – 50	F