

Report on Bachelor Thesis

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

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| Student: | Viktor Zeisel |
| Advisor: | Martin Gregor |
| Title of the thesis: | PPP, an Alternative Way of Provision of Public Services |

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

The thesis submitted by Viktor Zeisel analyzes advantages and shortcomings of a Public-Private Partnership (PPP) contracts. Viktor does it in highly formalized model which, frankly, is beyond my limited IO knowledge. The author demonstrates his excellent command of the theory, quite impressive given this is a bachelor thesis. I thus refer to Martin Gregor, who was Viktor's supervisor as far as the quality and originality of the theoretical model is concerned. I liked, however, the elegant style of the thesis and author's final discussion in thesis conclusions. The thesis is written in (very good) English and uses appropriate literature. **Therefore, I recommend that the thesis is accepted for the final exam and I suggest grade A („výborně“).**

The first chapter introduces the PPP literature and main concepts and discusses its main (dis)advantages. I was a bit confused, whether the model is Viktor's or whether he repeats lossa's model. Following chapters than modify the basic model and discuss various relaxations of iniytial conditions.

In conclusions, Viktor rounds up his analysis of the PPP contract comprehensively and he argues that the high quality of the eventual project dominates even in the case of limited government negotiating power. As an layman/observer, I wonder how the quality of project is guaranteed in cases with low or non-existent negotiating power of government. Examples of private projects that yielded questionable quality might be found. English train system might be one and many developing countries' infrastructure projects another. It would be interesting if Viktor explained how the quality of the project is determined in his model.

As a conclusion, I would like to stress that the thesis satisfies conditions for a bachelor thesis and I was impressed by Viktor's work.

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

| CATEGORY | POINTS |
|---|---------------|
| <i>Literature</i> (max. 20 points) | 20 |
| <i>Methods</i> (max. 30 points) | 30 |
| <i>Contribution</i> (max. 30 points) | 20 |
| <i>Manuscript Form</i> (max. 20 points) | 20 |
| TOTAL POINTS (max. 100 points) | 90 |
| GRADE (1 – 2 – 3 – 4) | 1 |

NAME OF THE REFEREE: Ondřej Schneider

DATE OF EVALUATION 29. srpna 2009

Referee Signature