

CHARLES UNIVERSITY IN PRAGUE
Faculty of Social Sciences
Institute of International Studies

PROTOCOL ON DIPLOMA THESIS ASSESSMENT
(Supervisor)

Name of the student: Stefania-Felicia Pavel

Title: European fiscal integration in euro absentia. Budgetary compliance as a step stone to a fiscal union.

Reviewer (external reviewers including the address and position): Mitchell Young

1. TOPIC AND OBJECTIVE (short information on the thesis, research objective):

The thesis examines fiscal convergence in the EU and attempts to understand whether (and why) fiscal convergence occurs in non-Euro countries. Because these countries are not fully subject to regulatory EU pressures to converge, that they do so opens up interesting questions. The author frames these in terms of two hypotheses the first more theoretical, drawing on Liberal Intergovernmentalism and Neofunctionalism to seek an explanation for convergence, and the second tests the attitude of the country towards the Euro as a factor in convergence.

2. CONTENT (complexity, original approach, argument, structure, theoretical and methodological backing, work with sources, appropriateness of annexes etc.):

The work presents an original approach to the issues of fiscal convergence in the EU. It situates itself on the current edge of EU theoretical scholarship, drawing on Hooghe and Marks (2018) and their call to deal with the LI and NF theories not in terms of an either/or choice of which one is right, but rather to seek a composite that treats them both as part of the overall explanation of any given phenomena. The first hypotheses does this explicitly, testing whether a hybrid of LI and NF can explain theoretically fiscal convergence of non-Euro Member States. It provides a clear approach to what convergence is, based on a set of indicators (budget balance, deficit, debt), and the research draws on multiple sources (country reports, evaluations, and fiscal plans) to triangulate its argument.

The second hypothesis, which looks at the national attitudes towards the Euro as the key explanatory factor for fiscal convergence is addressed through two in depth case studies. The cases are well selected, using the Czech Republic and Romania as more/less likely cases to converge on the basis of their attitude towards Euro adaptation. The Czech case representing a sceptical attitude and the Romanian an eager one.

The thesis is well structured, clearly breaking up the key parts of the study, and devoting separate chapters to each of the two hypotheses. It is well researched, displays a deep understanding of the theoretical texts and traditions which she uses. The methodology is sound, and the mixture of a broader approach with mainly textual and indicator based analysis for the first hypothesis, and a case study methodology for the second, works to address effectively different aspects of the research questions.

3. FORMAL ASPECTS AND LANGUAGE (quality of language, citation style, graphics, formal aspects etc.):

The thesis is well written and documented. The references are extensive. The formal aspects and citation style, annexes and other formal aspects are appropriate.

4. SHORT COMMENTS BY THE REVIEWER (overall impression, strengths and weaknesses, originality of ideas, achievement of the research objective etc.):

The thesis provides a confident exploration into an interesting aspect of European integration. By choosing to study integration of non-Euro countries, the author delves into a much less studied area of integration. She demonstrates a strong grasp of European integration theories, and dexterity in showing how they can be combined rather than set off against one another. The summary and literature review of post-crisis fiscal tools

adapted by the EU is well done and there is a sophisticated application of LI and NF theories as regards the fiscal responses to the crisis. The conclusion does a good job of reflecting on the two hypotheses and what can be learned, but also realistically qualifying the limitations they present. The findings advance our knowledge in this area, and provide avenues for future research, should the author decide to continue in a research-based career trajectory.

5. *COOPERATION WITH THE SUPERVISOR* (komunikace s vedoucím práce, schopnost reflektovat připomínky, posun od původního záměru apod.)

There was good communication over the first phase of the research project. Given the complications of COVID-19, there was less interaction during the writing phase, in which the author worked independently and did a fine job in getting the thesis together. A final set of recommendations from the supervisor was implemented effectively.

6. *QUESTIONS AND COMMENTS THAT SHOULD BE ADDRESSED DURING THE DEFENCE (one to three):*

Do you think that the Czech and Romanian cases represent ideal types of non-Euro member fiscal integration that could be applied to other non-Euro members? Or do you think that those other countries would be unique types?

Why is it important to blend LI and NF, rather than choose one or the other?

7. *(NON-)RECOMMENDATION AND SUGGESTED GRADE*
(*excellent, very good, good, unsatisfactory*): *excellent*

Date: 26.08.2020

Signature: Mitchell Young