Report on **Bachelor Thesis**

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

Student:	**Vendula Letovská**
Advisor:	**doc. Ing. Tomáš Cahlík, CSc.**
Title of the thesis:	**Decent Work and Economic Growth – Analysis of the Sustainable Development Goal 8**

OVERALL ASSESSMENT

Short summary

The bachelor thesis by Vendula Letovská presents an evaluation of the United Nations' agenda of Sustainable Development Goals (SDGs), particularly Goal 8 promoting sustainable economic growth, decent work and full employment. The indicators chosen for measuring the achievement of Goal 8 are annual growth of GDP per capita, domestic material consumption and the rate of unemployment.

The first chapter provides an introduction into the topic of SDGs and their description. The Goal 8 is then introduced in a greater detail.

The second chapter introduces the notions of decent work, economic growth, its determinants and consequences, and growthism.

The third and fourth chapters present data, dependent and independent variables and the panel data analysis – pooled OLS, FD, FE and RE models. Related tests (AD-F, LM, Chow, Hausman, B-P, B-G) were performed.

The fifth chapter is focused on modelling and data analysis for each of the three indicators and sixth chapter provides a forecast up to 2030 examining whether the Goal 8 is achievable within this time horizon using ARIMA and ETS models.

The last chapter concludes.

Contribution

The thesis is basically only an econometric exercise although rather a nice one on a bachelor level. The author has proven that she has learned and understood the basic econometric methods which is a great basis for her further studies. However, looking at the thesis from a scientific point of view, I cannot identify the contribution to the literature in the field. The previous literature dealing with evaluation of SDGs is not mentioned at all and the link with other papers is not established. Thus, the reader cannot evaluate how this thesis contributes to the development of the knowledge and whether and how it is innovative at least with its ideas, policy implications or conclusions since I understand that a bachelor student is not methodologically equiped to provide new approaches when it comes to methods used.

I can imagine the author to review papers such as Saxena et al. (2021), Georgeson and Maslin (2018), Miola and Schlitz (2019), Yonehara et al. (2017), and I am sure there are many others since I have found a number of SDG related papers in a matter of minutes, see below:

Saxena, A., Ramaswamy, M., Beale, J. et al. (2021). Striving for the United Nations (UN) Sustainable Development Goals (SDGs): what will it take? Discover Sustainability 2 (20), https://doi.org/10.1007/s43621-021-00029-8

Georgeson, Lucien & Maslin, Mark. (2018). Putting the United Nations Sustainable Development Goals into practice: A review of implementation, monitoring, and finance. Geo: Geography and Environment. 5. e00049. 10.1002/geo2.49.

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Miola, A. and Schiltz, F. (2019). Measuring sustainable development goals performance: how to monitor policy action in the 2030 Agenda implementation? Ecol. Econ., 164 (2019), Article 106373, https://doi.org/10.1016/j.ecolecon.2019.106373

Yonehara, Aki & Saito, Osamu & Hayashi, Kaoru & Nagao, Masafumi & Yanagisawa, Ryu & Matsuyama, Kanako. (2017). The role of evaluation in achieving the SDGs. Sustainability Science. 12. 10.1007/s11625-017-0479-4.

Methods

A panel data analysis is used and the author provides a comparison between pooled OLS, First differences, Fixed effects and Random effects models. Related tests (AD-F, LM, Chow, Hausman, B-P, B-G) are performed correctly. The ARIMA and ETS models are used for the forecast.
However, the causal relationship between unemployment and economic growth is not explored. It is often analysed using cointegration test, Vector Error correction model and Granger causality test. I recommend the author to read about this topic since it may have implications for the results of this thesis.

Literature

In the second chapter, the author introduces the notions of decent work, economic growth, its determinants and consequences, and growthism. The work with the literature for this purpose is satisfactory but I am missing a literature review exploring other papers evaluating SDGs so that we, as readers, can appreciate the results of this thesis in relation to already existing knowledge. See my suggestions above.

Manuscript form

The form of the manuscript is very good, I do not have any complaints here. The structure is clear and easy to follow. The author has used appropriate language and style. All tables and graphs are numbered correctly and have adequate academic format. The bibliography is complete.

Overall evaluation and suggested questions for the discussion during the defense

1) Please state clearly your contribution to the literature in the field. Try to connect your work to previously published papers evaluating SDGs – identify the knowledge gap in the literature and present how does your work contributes to filling this gap.
2) Comment on the relationship between unemployment and GDP and how you could use VECM model, Granger causality and cointegration to achieve more relevant results.
3) Why do you think that all explanatory variables were insignificant in your domestic material consumption model? Do you think that this is a logical conclusion? How the model can be improved?

The author has shown that she is able to work with the literature and scientific methods. The presented work is not bad but one of the most important points when writing a scientific paper is to extend in some way the already existing literature – let it be methodologically, with new data, new approaches, interesting policy implications etc. I unfortunately see no real development of the field

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with this particular thesis. Thus my lower overall assessment. But I see a potential in the author and I am sure that she will present a great work in the future.

In my view, the thesis fulfills the requirements for a bachelor thesis at IES, Faculty of Social Sciences, Charles University, I recommend it for the defense and suggest a grade D.

The results of the Urkund analysis do not indicate significant text similarity with other available sources.

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

CATEGORY		POINTS
Contribution	*(max. 30 points)*	12
Methods	*(max. 30 points)*	24
Literature	*(max. 20 points)*	13
Manuscript Form	*(max. 20 points)*	20
TOTAL POINTS	*(max. 100 points)*	**69**
GRADE	**(A – B – C – D – E – F)**	**D**

NAME OF THE REFEREE: Mgr. Vědunka Kopečná

DATE OF EVALUATION: 27.5.2021

Digitally signed (27. 5. 2021):
Vědunka Kopečná

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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.*

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.*

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

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.*

Overall grading:

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