

REPORT ON THE MASTER THESIS

IEPS – International Economic and Political Studies, Faculty of Social Sciences, Charles University

Title of the thesis:	COVID-19 and the Aviation Industry: Economic Impacts and Policy Responses
Author of the thesis:	Martin HRUBÝ
Referee (incl. titles):	Doc. Ing. Vladimír Benáček, CSc.

Comments of the referee on the thesis highlights and shortcomings (following the five numbered aspects of your assessment indicated below).

1) Theoretical background: The selected topic belongs to the specialization “Business and Management” and its underlying theory is rather thin and mostly verbal. The relevant universal economic theories on e.g. “Asymmetric Shocks on Industry and Enterprises, and the Policies for their Economic Recovery” or “Aviation Industry as a Public Good” were not further elaborated in the thesis. The study concentrated specifically on the selected set of airlines and their financial (in)stability. It is a pity that at least a symbolic attempt was not undertaken for a more general theoretical approach.

2) Contribution: I see the most important contribution of the thesis in the collection and integration of numerous data and the ability of the author to derive clear conclusions from them. It is practical, valuable and time-intensive, but academically (scientifically) not a great achievement in the personal contribution.

Minor comments:

- a) I had problems in understanding Fig. 1 where the total flights on the world market were much below the international flights.
- b) Are the three figures in the last two lines of p. 17 correct?
- c) Models specified on p. 31 – 32 and 48 use coefficients that are not discussed and explained how they were estimated and what guarantees their validity for all subsequent industrial or enterprise applications.
- d) There is this sentence on p. 56: “Trend analysis of both risk indicators identified a positive correlation between the magnitude of financial aid provided by the governments and the level of default risk”. Please where are the data and the results of such a correlation?
- e) I would appreciate a table where the data of the government aid (e.g. those in tables A19-28) and the balance sheet losses of airlines. Did I miss it? Does it exist somewhere in the thesis?

3) Methods: The methods used in the thesis for the quantifying of the financial viability of companies (i.e. MCDM, Risk Criteria + others up to C8, MACBETH, MABAC) belong to operations research – i.e. not to the legacy of economics. I cannot assess how much of the creative personal value-added was required from Mr Hrubý in the MABAC method to get it applied to his data. I am therefore neutral to its contribution. REMARK: Mr Hrubý will have a chance at the state exam to defend his achievements.

4) Literature: Characteristically, the majority of the 111 references belong to the grey literature, which is not academic. Fortunately, there are cited several papers from the academic-business journals.

5) Manuscript form: The thesis is clearly written and without apparent formal errors. Tables in the annex could have been presented in a more professional layout.

Box for the thesis supervisor only.

Suggested question for the defence:

Please explain what is the value-added to the objectivity for quantifying the financial instability by the MABAC method of multicriterial analysis. Are not the used weights just a cover-up of the intransparent subjectivity in the alchemy of juggling with financial data (that to a large extent overlap) in a scientific manner?

I recommend the thesis for final defence.

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

CATEGORY	POINTS
<i>Theoretical background (max. 20 points)</i>	14
<i>Contribution (max. 20 points)</i>	17
<i>Methods (max. 20 points)</i>	17
<i>Literature (max. 20 points)</i>	14
<i>Manuscript form (max. 20 points)</i>	17
TOTAL POINTS (max. 100 points)	79
The proposed grade (A-B-C-D-E-F)	C +

DATE OF EVALUATION: 13.9.2021



Referee Signature

Overall grading scheme at FSV UK:

TOTAL POINTS	GRADE	Quality standard
91 – 100	A	= outstanding (high honour)
81 – 90	B	= superior (honour)
71 – 80	C	= good
61 – 70	D	= satisfactory
51 – 60	E	= low pass at a margin of failure
0 – 50	F	= failing. The thesis is not recommended for defence.