

IMESS DISSERTATION

Note: Please email the completed mark sheet to Year 2 coordinator (cc Chiara Amini chiara.amini@ucl.ac.uk and fiona.rushworth@ucl.ac.uk)

Please note that IMESS students are not required to use a particular set of methods (e.g. qualitative, quantitative, or comparative) in their dissertation.

Student:	Natalia Gajdosova
Dissertation title:	An Alternative system of trade barriers in international trade. Case study on Slovakia. An alternative system of trade barriers in international trade. Case study on Slovakia

	70+	69-65	60-61	59-55	54-50	<50
	A	B	C	D	E	F
Knowledge <i>Knowledge of problems involved, e.g. historical and social context, specialist literature on the topic. Evidence of capacity to gather information through a wide and appropriate range of reading, and to digest and process knowledge.</i>	82/95					
Analysis & Interpretation <i>Demonstrates a clear grasp of concepts. Application of appropriate methodology and understanding; willingness to apply an independent approach or interpretation recognition of alternative interpretations; Use of precise terminology and avoidance of ambiguity; avoidance of excessive generalisations or gross oversimplifications.</i>	81/94					
Structure & Argument <i>Demonstrates ability to structure work with clarity, relevance and coherence. Ability to argue a case; clear evidence of analysis and logical thought; recognition of an argument's limitation or alternative views; Ability to use other evidence to support arguments and structure appropriately.</i>	81/94					
Presentation & Documentation <i>Accurate and consistently presented footnotes and bibliographic references; accuracy of grammar and spelling; correct and clear presentation of charts/graphs/tables or other data. Appropriate and correct referencing throughout. Correct and contextually correct handling of quotations.</i>	82/95					
Methodology <i>Understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.</i>	80/93					

ECTS Mark:	A/81	Charles Mark:	A/94	Marker:	Magdalena Fiřtová
	<i>Deducted for late submission:</i>		No	Signed:	
	<i>Deducted for inadequate referencing:</i>		No	Date:	7.6.2021

MARKING GUIDELINES

A (UCL mark 70+) = A (Charles mark 91-100 - excellent): Note: marks of over 80 are given rarely and only for truly exceptional pieces of work.
Distinctively sophisticated and focused analysis, critical use of sources and insightful interpretation. Comprehensive understanding

of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.

B (UCL mark 69-65) = B (Charles mark 81-90- very good)

C (UCL mark 64-60) = C (Charles mark 71-80 – good): A high level of analysis, critical use of sources and insightful interpretation. Good

understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research. 65 or over equates to a B grade.

D (UCL mark 59-55) = D (Charles mark 61-70 – satisfactory)

E (UCL mark 54-50) = E (Charles mark 51-60 – sufficient):

Demonstration of a critical use of sources and ability to engage in systematic inquiry. An ability to engage in sustained research work, demonstrating methodological awareness. 55 or over equates to a D grade.

F (UCL mark less than 50) = F (Charles mark 0-50 - insufficient):

Demonstrates failure to use sources and an inadequate ability to engage in systematic inquiry. Inadequate evidence of ability to engage in sustained research work and poor understanding of appropriate research techniques.

Please provide substantive and detailed feedback!

Comments, explaining strengths and weaknesses (at least 300 words):

Natalia's thesis deals with the very timely topic of customs duty evasion. Despite its potential of great practical importance, this topic is among the relatively little-explored areas of scholarship. Based on a case study of Slovakia, the thesis delves into two specific research questions. Firstly, whether in the current circumstances of liberalized and globalized international trade, the customs duty tends to be less efficient in providing fair conditions for domestic and imported products from the very different production environments. Secondly, it assesses the way of replacing customs duty with an increased domestic added value tax system.

In developed countries, as the liberalization of international trade progressed, losses in government tariff revenue have been offset by changes in value-added tax. Natalia proposes replacing the remaining low import customs duties with increased VAT. The proposed reform of substitution between tariffs and VAT claims to be a desirable strategy of home firm protection in a situation of falling prices of imported products when the increase of foreign firm output induces the fall of domestic profits. Therefore, I appreciate the final discussion, which reflects very nicely and from very original perspective, on the current transformation of the view of the effects of free trade. In the context of current international trade, the author considers both the fairness of the rules and the diversity of production conditions, which have implications for the transaction price before the customs declaration as well as for the price afterward. From this perspective, this work is highly beneficial for a better understanding of the recently neglected potential negative consequences of liberalizing international trade between developed and emerging economies. And it argues convincingly for the introduction of an increased value-added tax.

However, caution is warranted for several reasons that, ideally, could be further developed in the conclusion. The study is based on a case study of a small open economy - Slovakia, and panel studies of two selected commodities intended to be purchased for final consumption. Both characteristics of the case study represent potential limits to the research conducted. The applicability of the reform on large EU countries might have a negative effect in the form of impaired welfare (as discussed by Keen and Ligthart, 2005). The impact on welfare might also vary fundamentally according to the type of commodity (as briefly mentioned in the thesis, p. 66) – depending on how the increases will be reflected in the fluctuation of the final consumer price, and whether it is intended for final consumption or further processing.

Given the complexity of the topic, the formulation of the research questions as well as the author's capacity to conduct original, sophisticated data-grounded empirical research, I consider the thesis to be among the 5 percent of the best MA thesis I have supervised and read. The text itself

demonstrates Natalia's ability to grasp the fairly difficult issue and process it in an innovative way corresponding to high academic quality. The thesis meets all the formal criteria of a master's degree dissertation. The language is nearly flawless. The thesis is well researched and builds on the relevant literature.

Specific questions you would like addressing at the oral defence (*at least 2 questions*):

1/ The thesis has deliberately abstracted from the practical implication of the reform (p. 67), however, this could be the core of the problem. The proposed reform could lead to a complicated VAT structure with a high degree of differentiation between products that might, in the end, reduce the efficiency gains from the tariff-VAT substitution (see also your reference to Keen and Lignart, p. 26). Please discuss your perspective on the potential challenges of this practical implication.

2/ The thesis works with import commodities, for which it implies a long-term downward trend in the entry price and thus implies a decreasing strength of customs duties. Please discuss the application of your proposed theory to sectors where this trend is not apparent.

