

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:	Qihao Su
Dissertation title:	FDI, Economic Growth and Institutional Quality: Evidence from Countries with Different Income Levels

	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>	71					
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>	73					
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>		65				
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>		63				
Methodology <i>Understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.</i>	70					

ECTS Mark:	B/68	Charles Mark:	B/88	Marker:	Tomáš Holub
<i>Deducted for late submission:</i>			<i>No</i>	Signed:	
<i>Deducted for inadequate referencing:</i>			<i>No</i>	Date:	17 August 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*):

The thesis deals with the impact of foreign direct investment (FDI) on economic growth, exploring how this impact differs based on various country characteristics.

In the introductory chapters, the author demonstrates a good knowledge of previous literature on the FDI-growth nexus. The references cover some earlier seminal papers, but mostly focus on the empirical research since the turn of the new millennium. My only concern here is that there is a relatively weak link between the relatively long literature survey, some attempts to nest the analysis within the “classical Neo-Solow Growth model”, and the final empirical model specifications – compare e.g. the (unnumbered) equation on page 36 and equation (7) on page 39.

The empirical findings are mostly in line with the economic intuition. In particular, the student concludes that FDI is generally supportive of the economic growth, but certain country-characteristics matter for the strength or even direction of this relationship. The interpretation of the results is in most cases clear and plausible, but sometimes too brief (see e.g. the suggested Q2 below).

The structure of the thesis is quite logical, even though it might have been better to be a bit briefer and more straightforward in the introductory chapters and spend more space on the interpretation of the empirical results. Section 3.3., which I did not have a chance to comment on during the student’s work, seems to be largely redundant for the flow of text (see my comment above).

The thesis can be understood relatively easily, but some further language editing would definitely help. In some places, it is apparent that the text was finalised under time pressure. The referencing follows common standards and is consistent throughout the whole thesis. The empirical results are presented in clear tables.

The empirical methodology (two versions of the GMM method cross-checked for robustness with a fixed-effect model) is appropriate for the analysed issue.

Overall, the thesis has a decent quality. During the work, the student has addressed most of my comments and recommendations. At Charles University, the thesis could be defended with a solid B grade, in my opinion.

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

Q1:

Please, clarify the link between the “classical Neo-Solow Growth model”, and the final empirical model specifications in your thesis. In particular, what is the link of the (unnumbered) equation on page 36 and equation (7) on page 39 (and further empirical equations)?

Q2:

Comment on the following text from page 50: “The regression results show that the impact of FDI is statistically significant and positive across our global samples except lower-middle- and low-income countries. The significant coefficient of FDI in lower-middle- and low-income countries, implies that although FDI plays vital role in stimulating economic growth, the impact of FDI varies from different macroeconomic situation (i.e., domestic absorptive capacity). Other control variables see inconsistent results for different income groups.” Note that the coefficient of FDI in lower-middle- and low-income countries is actually significantly negative. What is your interpretation of this outcome? Why do the results for other control variables differ for different income groups?