

BACHELOR'S THESIS EXAMINER REPORT
PPE – Bachelor's in Politics, Philosophy and Economics
Faculty of Social Sciences, Charles University

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|------------------------|---|
| Thesis title: | Analysis of the Interconnectedness of Economies of European Union and People's Republic of China: An Input Output Analysis |
| Student's name: | Martin Talán |
| Referee's name: | Vilém Semerák |

| Criteria | Definition | Maximum | Points |
|-----------------------|---|------------|--------|
| Major Criteria | | | |
| | Contribution and argument (quality of research and analysis, originality) | 50 | 46 |
| | Research question (definition of objectives, plausibility of hypotheses) | 15 | 14 |
| | Theoretical framework (methods relevant to the research question) | 15 | 14 |
| Total | | 80 | 74 |
| Minor Criteria | | | |
| | Sources, literature | 10 | 9 |
| | Presentation (language, style, cohesion) | 5 | 4 |
| | Manuscript form (structure, logical coherence, layout, tables, figures) | 5 | 4 |
| Total | | 20 | 17 |
| TOTAL | | 100 | 91 |

Reviewer's commentary according to the above criteria (min. 1800 characters including spaces when recommending a passing grade, min. 2500 characters including spaces when recommending a failing grade):

Mr Talán has opted for a highly relevant empirical topic. Inspired by recent literature on external resilience of the EU as well as by many local discussions on the possible vulnerability of the Czech economy to economic pressures imposed by the PRC, the author attempted a quantitative evaluation of the damage that the Czech Republic (and EU) might face if such scenarios materialize. And vice versa – how vulnerable is China. These are valid research questions discussed by many analysts in recent years.

As it is intended for the PPE program, the thesis not only has a clearly identifiable empirical economic section, but it also has a few sections that can be described as (geo)political; these sections provide additional evidence in favour of the relevance of the analysis as they attempt to show that possible disruptions in trade with China indeed cannot be ruled out.

The empirical part of the thesis is based on the respected portfolio of input-output methods which can be considered adequate for this purpose and more than adequate for a

bachelor student in more general programs such as the PPE. Mr Talán wrote scripts in R himself and applied the method on the latest available set of OECD ICIO data. Both the description of the methodology as well as the implementation in R suggest that he mastered the IO methodology quite well; he was in fact, capable of implementing it in a rather creative way. I also appreciate that he decided to implement the newer global approach instead of the simpler traditional hypothetical extraction. He also found a way how to present the results in a relatively easy to interpret graphical form (heatmap-like tables, e.g. p. 23, 29).

The results look credible in general, although I am not entirely sure about the role of Malta (p. 34). However, this issue was discussed with the author, and he has retested this result repeatedly (also see p. 36-37). I find the implications for Lithuania very interesting – the author suggests that their daring challenge to the PRC might have been a well-calculated move.

Language quality represents one of the weaker features of the thesis – with some additional editing, the remaining omissions (punctuation) might have been easily avoided. Similarly, formatting of some sections might have been better (e.g. p. 22, 25).

Urkund analysis suggest slightly higher similarity score (17%), but this appears to be caused by an interesting problem with the repeatedly used (and relatively standardized) descriptions of the sectors in input-output tables. Similarly, the work with references leaves some space for improvement (e.g. p. 15). I would also recommend a clearer structuring (and numbering) of headlines.

Proposed grade (A-B-C-D-E-F): A

Suggested questions for the defence are:

- Please explain the differences between traditional hypothetical extraction and the global hypothetical extraction.
- Would it be possible to use the same data and approach for the analysis of the effects of reduced supply of grain from Ukraine on global economy?
- You have mentioned the “9 or 10 dash line” (p. 16). What is it and how many “dashes” are really involved?

I recommend the thesis for final defence.

Referee Signature

Overall grading scheme at FSV UK:

| TOTAL POINTS | GRADE | Quality standard |
|--------------|----------|---|
| 91 – 100 | A | = outstanding (high honor) |
| 81 – 90 | B | = superior (honor) |
| 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. |