

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

<b>Thesis title:</b>	<b>The effects of strategic partnership between Kazakhstan and China on economic development of Kazakhstan</b>
<b>Student's name:</b>	<b>Gleb Artyukhov</b>
<b>Referee's name:</b>	<b>Vilém Semerák, Ph.D.</b>

Criteria	Definition	Maximum	Points
<b>Major Criteria</b>			
	Contribution and argument (quality of research and analysis, originality)	<b>50</b>	29
	Research question (definition of objectives, plausibility of hypotheses)	<b>15</b>	12
	Theoretical framework (methods relevant to the research question)	<b>15</b>	11
<b>Total</b>		<b>80</b>	52
<b>Minor Criteria</b>			
	Sources, literature	<b>10</b>	6
	Presentation (language, style, cohesion)	<b>5</b>	2
	Manuscript form (structure, logical coherence, layout, tables, figures)	<b>5</b>	1
<b>Total</b>		<b>20</b>	9
<b>TOTAL</b>		<b>100</b>	61

**Plagiarism-check (URKUND) match score:**

Score in thesis.cz: 12%

Overall similarity score in Turnitin: 20%

**Reviewer's commentary according to the above criteria**

The topic of the thesis is very relevant - Kazakhstan's position means that it is exposed to trade implications of the Russian attack on Ukraine, but even before the conflict started, the country's new government started to search for opportunities for a reduction of the country's dependence on the export of natural resources. The thesis thus comes at the right moment and suggests relevant questions. On the other hand, analysis in the text either does not go too deep (e.g. in the case of diversification) or its contribution is reduced by technical issues (gravity model-based results). The opportunity to provide quite a topical and policy-relevant contribution was not, therefore fully exploited.

The thesis seems to consist of two qualitatively and stylistically different types of text: the introduction, sections 1 and 2, and the conclusion are written in a shallower and more careless style, which too often borrows clichés and official optimistic formulations. These parts do not include much actual empirical analysis either. And then there is section 3

(gravity models), which suddenly goes much deeper, uses much more advanced methodology and more technical references, and even treats references slightly differently. Even the numbering of figures starts again from 1 in section 3, as if the author tried to merge two different texts. This is quite strange; the author should have used a little extra time to make the resulting text much more congruent.

Interestingly enough, neither of the two categories of texts includes a real literature review focused on previously published academic research dealing with trade of Kazakhstan and its trade relations with China. Sections 1 and 2 do not go deep enough and do not discuss such research; section 3 focuses only on gravity (but does not discuss previous attempts at the application of gravity models on the two countries either). This is a grave omission, even in an undergraduate text.

Especially the introduction includes quite a few official claims and clichés. The author also does not seem to truly differentiate between more serious attempts at research (and data-supported results) and optimistic or diplomatically formulated claims based on optimistic expectations. However, in spite of some of my objections against sections 1 and 2, I acknowledge that section 1 still provides a rather decent and interesting description of the history of the establishment of mutual contacts in 1990s. The description of actual development of trade relations was also quite acceptable.

As mentioned before, section 3 is the key section where the author attempts his own analysis based on gravity models. This methodology can definitely be described as both adequate to the level of study (definitely so for an interdisciplinary program such as the PPE) and adequate for the topic; gravity models are amongst the most often used models in applied trade analysis. It must be positively acknowledged that the author seems to be quite well aware of modern literature on gravity models and attempts to provide results for a modern microfounded model, even estimated with several different estimators. He also applies the methodology on a sufficiently broad panel.

One big problem plagues the section, unfortunately – equations are completely illegible in the submitted version of the text, which makes most of section 3 difficult to understand. In fact, Gleb experienced (different) problems with equations in an earlier version of the text too; therefore it is a pity that he did not try to spend a few minutes to verify whether the equations were legible or not. The few minutes of extra final editing (equations, numbering, etc.) would definitely be reflected positively in the point evaluation.

A few additional issues in the explanation and interpretation of the model can be criticized, such as some mistakes in the explanation of the gravity specification - e.g. the fact that China and Kazakhstan are not in one trade bloc does not mean that including an FTA (or customs union) dummy is useless (p. 31). Quite to the contrary, as Kazakhstan is a member of Euroasian Economic Union, the inclusion of such a dummy might be quite relevant. However, the text is still acceptable once we consider the level of study and the type of program.

I also find the author's explanation of his estimate of the multilateral resistance dynamics a bit incomplete ("sum of all components of the single country equation, distribution over time"). Similarly, the decomposition into the exporter effect, importer effect and pair effect are not explained too clearly. If I understand the logic of the explanation correctly (with the help of equations in another file previously shared by the author), his estimated partnership effects are constant by definition (they are based on pair dummies). This is not

a technical problem (and it would fit figures 4 & 5), but how does this interpretation fit with the claims about deepening relations?

The conclusion returns back to the cliché-like style and level of treatment, unfortunately. Interestingly enough, rather than simply summarizing obtained results, it also introduces new claims concerning issues not analyzed in the thesis, for example, concerning the effects on the Uyghur Autonomous Region (these are possible and likely, but no empirical analysis attempts to analyze them), or the mention of investment climate in the agro-industrial complex or of special economic zones. The author should have attempted to differentiate between own results, expectations or even mere wishful thinking and diplomatic claims published by others. Only in the conclusion does the author get to the issue of trade concentration - but again, not too deeply. Adding a special section earlier in the text which would provide e.g. calculations of indices used to compare concentration might have been much more convincing.

***Positive features of the thesis:***

- Own application and interpretation of a gravity model.

***What is missing from the analysis:***

- Deeper analysis of the diversification/concentration of Kazakh exports (the submitted version of the text at least mentions them in the conclusion but rather superficially).
- Analysis of the mutual role of the two economies in supply chains (e.g. based on OECD ICIO data).

***Formal and style-related issues and errors:***

- The text includes references to appendices (e.g. Appendix A mentioned on p. 11 or Appendix B mentioned on p. 14), but the text does not seem to include them. Neither were they uploaded to the SIS. Similarly, an Excel file with regression results is promised, but it is not provided to the reader.
- The numbering of tables is flawed (there are two tables "1", p. 45 and p. 38).
- The numbering of figures is flawed (there is a Figure 6 on p. 22 and 47, Figure 7 on p. 7 and 48), and so on.
- Different forms of references to cited texts appear in the thesis - compare sections 1 (names and a full title in footnotes) and section 3 (more traditional names of authors and years). This is really strange.
- References are not sorted alphabetically but in the "order of appearance". This is a bit unusual and inconvenient for a longer text, such as a thesis.
- According to the list of references, the author uses quite a few "soft sources", e.g. a travel guide to the Silk Road as a reliable source. He also rather too often borrows sentences and clichés from softer media, e.g. on pages 19-20 or rather unusual section 2.2. One would really expect a more formal and impartial style and academic-grade references in the case of a thesis.

**I recommend the thesis for the final defence.**

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

**Suggested questions for the defence are:**

1. Please explain the prejudices and biases in trade relations mentioned on p. 16
2. You repeatedly describe the trade and economic relationship with China as “strategic”. How do you define the meaning of this adjective in this case? Would you find another case of a strategic relationship in global economic relations?
3. Briefly describe the pattern of Kazakh exports to China. Why might some economists be dissatisfied with this pattern? What kind of long-run dangers might this kind of specialization, combined with the dependence on the Chinese market, bring?
4. What is the source of the list of problems outlined on p. 25? Are these your conclusions, or is this cited from some other source? And why do you see Chinese production in Kazakhstan as a problem?
5. Explain the logic of the multilateral trade resistance term (both in theory and in your implementation). When does it increase and decrease? And why are your estimates increasing in general?
6. How did you treat residuals in the decomposition into the exporter effect, importer effect, and pair effect? And is the pair effect constant in time or not?

**Digitally signed (September 11<sup>th</sup>, 2023):  
Vilém Semerák**

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***Referee Signature***

Overall grading scheme at FSV UK:

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