

Abstract

This thesis is focused on the large scale privatization in the Czech Republic. It brings the real values of investment into the discussion of direct effects of FDI. A unique dataset obtained in the archive of the Ministry of Finance of the Czech Republic allows us to employ other interesting properties of the privatization in the comparison of the performance of the FDI recipients during the 1997-98 crisis. A synthetic method approach is used to estimate the most similar competitor of each FDI recipient and control for different situations the MNE affiliates were prior the crisis. The thesis has also a historical contribution as it discusses some yet unknown features of the privatization through FDI during the large scale privatization. Further, the underlying theory of FDI, FDI flows into the Czech Republic, the Czech privatization process and macroeconomic background are described.

JEL Classification D24, F21, F23, P31

Keywords Czech Republic, Foreign Direct Investment, Privatization, Total Factor Productivity, Transitions of Socialist Enterprises

Author's e-mail jakub.nachtigall@gmail.com

Supervisor's e-mail adam.gersl@cnb.cz