

# Report on Bachelor / Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	Ján Tomo
Advisor:	Mgr. Ing. Vilém Semerák, Ph.D.
Title of the thesis:	Impact of increasing returns to scale and imperfect competition on international trade in automotive industry: Czech republic – Germany intra-industry trade

## **OVERALL ASSESSMENT** (provided in English, Czech, or Slovak):

Bachelor thesis *“Impact of increasing returns to scale and imperfect competition on international trade in automotive industry: Czech republic – Germany intra-industry trade”* focuses on the comparison of trade in various segments of the automotive industry between the Czech Republic and Germany. The aim of the study is to analyse whether there exists an intra-industry trade and if it is of a horizontal or vertical nature.

The thesis consists of two complementing parts: theoretical part and empirical part. The theoretical background is lengthily described in Chapters 1 to 3; the empirical part is in Chapters 4 to 5. The thesis starts with the introduction into the problem, and then it provides theoretical background and sets up methodology for the analysis. At the end it provides original results and discusses main findings briefly. In thesis I miss description of data used in the analytical part and suggestions for future research usually put in the concluding remarks.

I appreciate author's effort to contribute to international trade theory with his original findings. The topic itself is interesting and raises many questions waiting to be answered. With a relatively simple analysis based on earlier economic works the author confirmed that in the automotive industry there exists an intra-industry trade of very similar products between the Czech Republic and Germany.

However, I have some concerns regarding the thesis. From the thesis appearance and manuscript point of view the main drawbacks are improper format of the table of contents and sometimes missing quotations and sources. Concretely:

- In the theoretical part I would appreciate if the author provided us with sources of some ideas and concepts.
- *“Nevertheless, the real trade flows, empirically observed and statistically computed, weren't fully consistent with the mentioned behaviour.”* (p. 13) – Can you provide the evidence of this statement?
- Marshall's definition on p. 18 – The source is missing.
- Graphs on pp. 45 and 49 lack the sources.
- The origin of data on pp. 53 to 55 should be provided. Methodology on p. 56 is nicely described but I would appreciate if the author explained what data and from what source he used in the computation of Grubel-Lloyd indices.
- Some tables (p. 58, 61-65) lack units.

# Report on Bachelor / Master Thesis

Institute of Economic Studies, Faculty of Social Sciences, Charles University in Prague

Student:	Ján Tomo
Advisor:	Mgr. Ing. Vilém Semerák, Ph.D.
Title of the thesis:	Impact of increasing returns to scale and imperfect competition on international trade in automotive industry: Czech republic – Germany intra-industry trade

In my opinion, description of some models in the theoretical part of thesis is unnecessary because the professional public already knows them (especially pp. 21-30).

In other aspects the work is neat and can be set as an example of very good bachelor thesis.

Suggested questions for the defence are:

- “Explain what kind of data and from what source you used in the computation of Grubel-Lloyd indices in Chapter 5.3.1.”
- “What is the main contribution of your thesis in your opinion?”
- “Can your findings be utilised in practice or in future research and how?”

All in all, although there were some objections, the work is written with diligence and it is evident that the author made a great effort to collect data, to use them in the analysis and to demonstrate the results. I believe there is a great potential for further development of author's skills. In the case of successful defence, I recommend “**výborně**” (excellent, 1).

## **SUMMARY OF POINTS AWARDED** (for details, see below):

CATEGORY	POINTS
Literature (max. 20 points)	19
Methods (max. 30 points)	30
Contribution (max. 30 points)	26
Manuscript Form (max. 20 points)	15
<b>TOTAL POINTS</b> (max. 100 points)	<b>90</b>
<b>GRADE</b> (1 – 2 – 3 – 4)	<b>1</b>

**NAME OF THE REFEREE:** PhDr. Tatjana Vukelić

**DATE OF EVALUATION:** 01 September 2013

**Referee Signature**

**EXPLANATION OF CATEGORIES AND SCALE:**

**LITERATURE REVIEW:** *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

Strong            Average            Weak  
20                10                0

**METHODS:** *The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.*

Strong            Average            Weak  
30                15                0

**CONTRIBUTION:** *The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.*

Strong            Average            Weak  
30                15                0

**MANUSCRIPT FORM:** *The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.*

Strong            Average            Weak  
20                10                0

**Overall grading:**

TOTAL POINTS	GRADE		
81 – 100	1	= excellent	= výborně
61 – 80	2	= good	= velmi dobře
41 – 60	3	= satisfactory	= dobře
0 – 40	4	= fail	= nedoporučuji k obhajobě

