

Report on Bachelor / Master Thesis

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

Student:	Michal Král
Advisor:	Petr Janský, M.Sc.
Title of the thesis:	Genuine progress indicator and other alternative measures of economic development: First estimates for the Czech Republic

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

Michal Král in his excellent thesis discusses alternative measures of economic development and estimates the results of the Genuine Progress Indicator (GPI) for the first time for the Czech Republic. Michal framed his thesis in the economic and policy context quite well and arrived at interesting results of GPI using very detailed data for the Czech Republic. I agree with Michal that GPI is one of the best alternative indicators (that can be realistically estimated) and that it is suitable to be a supplement of GDP in measuring economic growth and progress of the economy. While GDP represents only economic component of society, GPI contains not just economic, but also environmental and social items. I appreciate Michal's critical view of both GDP and GPI as well as Michal's suggestions of improvements of GPI (including the implemented option of a PPP-adjusted GPI).

The empirical methods applied by Michal in his thesis might not be the most advanced ones, but they seem appropriate for a bachelor thesis and definitely suitable for the research question posed. I believe that in many aspects other than empirical (and econometric) methods used, this bachelor thesis is comparable to most master thesis. Nevertheless, here I identify some areas that could be marginally improved in the thesis. One of them is a potential (because the jury is still out) exaggeration by Michal about the importance of GDP and other economic indicators, including GPI, for the real economy and decision making (e.g. in the introduction). Although the manuscript form is very good (with the exception of applying the system of Harvard referencing in a more appropriate, usual way) and the use of language is above the average of his cohort, as with all of us, non-native English speakers and writers, there is a potential for improvement in the use of language and the style of writing (spelling error are very rare, but include Kaznetz on pages 3 and 4). The coverage of international literature is appropriate, but literature relevant for the Czech Republic might be discussed a bit more. In terms of empirical contribution, to the best of my knowledge, Michal provides the first rigorous estimates of GPI for the Czech Republic.

Michal Král did an excellent job of writing a thesis. Therefore I recommend an overall grade of **excellent (výborně, 1)**. Furthermore, in my opinion, his thesis not only deserves the best grade, but also **the Dean's distinction**, for which I recommend it.

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

CATEGORY	POINTS
<i>Literature</i> (max. 20 points)	18
<i>Methods</i> (max. 30 points)	28
<i>Contribution</i> (max. 30 points)	30
<i>Manuscript Form</i> (max. 20 points)	20
TOTAL POINTS (max. 100 points)	96
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE: Petr Janský, M.Sc.

DATE OF EVALUATION: 10th June, 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