

# Report on Bachelor / Master Thesis

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

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| <b>Student:</b>             | <b>Lorena Zhupaj</b>  |
| <b>Advisor:</b>             | <b>Doc. Roman Horvath, Ph.D.</b>  |
| <b>Title of the thesis:</b> | <b>Examining the impact of reforms on economic growth:<br/>The case of transition economies</b> |

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

This thesis revisits the literature examining the effect of reforms on growth in Central and Eastern Europe. The fall of communism in these countries was arguably one of the largest economic experiments in the 20th century. Yet, the previous empirical results are somewhat mixed. Although our prior is that reforms are likely to deliver greater economic growth in future, this effect was not found in many studies (in fact, a meta-analysis by Babecky and Campos shows that as much as one third of empirical studies find this effect negative). But Lorena does not merely update the previous results. She provides a richer perspective on the reform-growth nexus emphasizing the non-linearity in this nexus. More specifically, Lorena examines the role of reform reversals on growth and finds that they matter. To the best of my knowledge, there are only two previous studies on this topic.

The thesis is written in an excellent way. The literature survey is extremely extensive and reads well. The econometric model follows the literature and some sensitivity analysis is carried out. The econometric model however suffers from some degree of endogeneity but the author seems to be well aware of it.

All in all, I think this is a nice thesis and I suggest the grade A for Lorena.

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

| <b>CATEGORY</b>                         | <b>POINTS</b> |
|---|---------------|
| <i>Literature</i> (max. 20 points)      | 20            |
| <i>Methods</i> (max. 30 points)         | 23            |
| <i>Contribution</i> (max. 30 points)    | 25            |
| <i>Manuscript Form</i> (max. 20 points) | 20            |
| <b>TOTAL POINTS</b> (max. 100 points)   | <b>88</b>     |
| <b>GRADE</b> (1 – 2 – 3 – 4)            | <b>1</b>      |

**NAME OF THE REFEREE:** Doc. Roman Horvath, Ph.D.

**DATE OF EVALUATION:** January 18, 2013

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**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     | <b>1</b> | = excellent    | = výborně                 |
| 61 – 80      | <b>2</b> | = good         | = velmi dobře             |
| 41 – 60      | <b>3</b> | = satisfactory | = dobře                   |
| 0 – 40       | <b>4</b> | = fail         | = nedoporučuji k obhajobě |