

Report on Bachelor / Master Thesis

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

Student:	Petra NOVOTNÁ
Advisor:	Barbara PERTOLD-GEBICKA
Title of the thesis:	Discrimination of Ethnic Minorities in the Czech Labour Market – Empirical Analysis

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

The thesis written by Petra Novotna deals with the problem of discrimination of foreigners in the Czech labor market. In her work Petra presents a detailed overview of the theories related to the topic of the thesis: theories of migration and theories of discrimination. This part of the work demonstrates a **deep understanding of the topic** and documents a **detailed study of the related literature**. Next, the legal and economic situation of the analyzed country – the Czech Republic – is presented. These sections form a background for further empirical analysis where the author tests four important hypotheses concerning the situation of immigrants in the Czech labor market. Petra uses the Labor Force Survey provided by the Eurostat to verify these hypotheses. This is a large individual-level dataset and working with it requires a good command of statistical software. The author of this thesis proves to be **fluent in statistical program Stata** and manages to work with large datasets.

Different tools are used to verify the main hypotheses. First, mean comparison between the group of immigrants and natives is used. Presentation and interpretation of results found in the thesis indicate that Petra deals well with statistical analysis. Next, more detailed and advanced tools are used: a regression analysis of individual employment status and, finally, Oaxaca-Blinder decomposition of differences in average employment status between the groups of natives and immigrants. Regression analysis adequately applies a probit model to analyze the contribution of different individual characteristics to employment status. Petra presents several specifications aimed at answering different questions and **correctly analyzes and interprets the estimation results, including marginal effects analysis**. Especially interesting is the finding that the change in employment gap between immigrants and natives after 2004 is most probably caused by change in the composition of immigrants present in the Czech Republic.

Oaxaca-Blinder decomposition adjusted for binary outcome is used to decompose differences in average employment status between immigrants and natives into explained by different characteristics of these groups and not explained (i.e. accounted for by discrimination). **This analysis is correctly applied and interpreted** and reconfirms the earlier finding of immigrants being discriminated against in the Czech labor market before 2005.

Petra worked on the thesis with great involvement and motivation, which have **greatly contributed to its quality**. Her work represents an **original piece of research** on a topic not much discussed in the Czech Republic. Overall, the whole thesis presents a consistent work with clear goals and neat empirical analysis. Despite some minor mistakes it deserves the highest grade.

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

CATEGORY	POINTS
<i>Literature</i> (max. 20 points)	15
<i>Methods</i> (max. 30 points)	25
<i>Contribution</i> (max. 30 points)	30
<i>Manuscript Form</i> (max. 20 points)	15
TOTAL POINTS (max. 100 points)	85
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE: *Barbara Pertold-Gebicka*

DATE OF EVALUATION: 24.01.2013

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