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Examiner's Report on Master's Thesis *On the Nature of the Divergent Economic Outcomes during the Post-Socialist Transition* written by Irina Skorokhodova

Irina Skorokhodova set to herself a very ambitious and relevant topic. The main aim of her master's thesis is comparative analysis of diverging patterns of development of groups of countries central and eastern Europe undergoing transformation from soviet-type economy to a market one. She tried to find reply to two questions. The first one concerns the necessity of transformation recession: using the terminology of Janos Kornai. The second one concerns the reasons for diverging patterns of development in groups of transforming countries. Both questions are very important because we had the chance to experience such a development around us.

The answer to the first question is comparatively easier. In economic theory or better modern theory of transformation more or less accepted the idea that transformational recession is necessary part of development during early phases of transformation. The present author shows, however, that the answer may be a little bit more complicated. There is question of economic indicators used to demonstrate the phenomenon a there may be differences of opinion on factors playing role in the depth and protraction of transformation depression. A more complicated explanation is needed as well in the case of Finland which is the only country that suffered from the break-up of CMEA. There was a deep recession but it cannot be understood as transformation recession as Finland has been developed market economy.

The second question cannot have a final answer yet. There are many factors which played an important role in this development. Economic theory due to her heterogeneous nature provides several different explanations and for a long time no consensus can be achieved.

Irina Skorokhodova studied a great number of literary sources and shows us major approaches of different scientific research programs in contemporary transformation theory starting from a comparatively simple theories to a very sophisticated ones. She selected Havrylyshyn's :transition navigation model: as the most promising concept to answer her question.

In her master's thesis she was able to show her abilities for scientific work. Her explanation is logical and very friendly to the reader. I appreciate her English and the annexes full of interesting information and data. She has a very broad knowledge of the literature related to the subject, as well.

I evaluate her master's thesis as **excellent**

In the discussion she could shortly discuss the advantages and problems connected with the transition navigation model by Havrylyshyn.

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~~Prof.~~ Milan Sojka