

Report on Bachelor / Master Thesis

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

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| Student: | Milan Frydrych |
| Advisor: | Jaromír Baxa |
| Title of the thesis: | Which Aspects of Culture Play an Important Role in Economic Development? |

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

This thesis contributes to the existing literature of growth econometrics with analysis of cultural dimensions on growth. The methodology relies on Bayesian model averaging corrected for endogenous regressors and thus quite a wide set of variables can be considered although the number of countries with all available data is rather limited.

From my point of view, the thesis written by Michal Frydrych is carefully conducted and I did not find any substantial methodological flaws and the methodology has been carefully chosen. Also, the thesis surveys substantial amount of relevant literature, but still, the part on literature review is nice to read and I believe Michal was able to summarize the main issues and the main challenges in research on determinants of economic growth.

Furthermore, let me add that this thesis has also potential for being published e.g. for rigorous exams, but some additional work has to be done. In particular, it could be interesting to recalculate the empirical exercise for other dependent variable including the current GDP or GDP growth between 1995-2015, just to see whether the cultural variables do have any predictive power in explaining the future economic growth. Additionally, Michal shall be more explicit in several aspects of his empirical exercise, for example, why just 46 countries are covered (and not more).

All in all, I consider this thesis as a nice piece of work and I believe Michal Frydrych demonstrated his knowledge of the current literature and up-to-date empirical methods so my final recommendation points to grade A, excellent.

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

| CATEGORY | POINTS |
|---|---------------|
| <i>Literature</i> (max. 20 points) | 20 |
| <i>Methods</i> (max. 30 points) | 30 |
| <i>Contribution</i> (max. 30 points) | 25 |
| <i>Manuscript Form</i> (max. 20 points) | 18 |
| TOTAL POINTS (max. 100 points) | 93 |
| GRADE (1 – 2 – 3 – 4) | 1 |

NAME OF THE REFEREE:

Jaromír Baxa

DATE OF EVALUATION:

2.6.2016



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 |