

Report on Bachelor / Master Thesis

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

Student:	Andrea Havrilová
Advisor:	Barbara Pertold-Gebicka
Title of the thesis:	The Effect of Family Size on Men and Women Wellbeing

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

The master thesis of Andrea Havrilová touches a very important topic of the influence of children on families, with potentially asymmetric effect on mothers and fathers. As the main indicator the author chose subjective wellbeing, but she also extends her analysis to income. The main value added of this thesis consists of two factors: (1) it is the first study that attempts to quantify the effect of children on parents in the context of the Czech Republic; (2) it tries to address one of the main difficulties associated with estimating this type of relationships, namely endogeneity of number of children. Following a recent study by Cáceres-Delpiano and Simonsen, Andrea uses instrumental variable approach to deal with the endogenous character of number of children. Multiple births (i.e. usually twin births) are used as the instrument with the assumption that multiple birth is usually not planned/expected by parents and thus it serves as an exogenous shock to family size.

The thesis represents an original and interesting piece of work, though it is not free of insufficiencies. Great deal of these stems from the fact that the author did not have any experience with econometrics prior to writing this thesis. Thus, she learned the principles of instrumental variable estimation and was discovering the intuition behind this approach while writing the thesis. Here I have to point that Andrea, being aware of these disadvantages, worked on the thesis regularly and consulted it with me relatively often. As the result, she managed to prepare a master thesis which is well structured, exhaustive when it comes to presenting the concept of wellbeing and the relevant literature, and applying correct methods.

The weakest part of the thesis is its language, which would require further proofcheck to remove spelling and grammar mistakes and to improve the level of communication. Moreover, the author does not do the best job in explaining the methodology and convincing the reader that her approach is correct. While the author recognizes that endogeneity might be present in her model, she does not explain the mechanics of it. She also does not explain how multiple births (or, precisely, twin births) might help solving the situation and, most importantly, under which assumptions these might help. Thus, I suggest that during the defence the following question is asked:

„Explain how the information about twin births might help break the endogeneity of number of children variable in your model.“

In case the author successfully explains this main methodological issue, I suggest grading the thesis as „very good“ (2).

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

CATEGORY	POINTS
Literature (max. 20 points)	18
Methods (max. 30 points)	16
Contribution (max. 30 points)	25
Manuscript Form (max. 20 points)	12
TOTAL POINTS (max. 100 points)	71
GRADE (1 – 2 – 3 – 4)	2

NAME OF THE REFEREE: Barbara Pertold-Gebicka

DATE OF EVALUATION: 15.6.2016

Referee Signature

