FAKULTA SOCIÁLNÍCH VĚD

Karlova universita, Praha

REVIEW OF MASTER THESIS

DATE:	15 August 2006
STUDENT:	Linda Balážiová
TITLE:	Developments and Differences in Structure of Tax revenues in the OECD Countries
YEAR:	2005/2006
CONSULTANT:	Ondřej Schneider

THESIS REVIEW:

The thesis attempts at presenting an overview of the tax issues faced by the OECD countries. While this goal is highly ambitious, the thesis itself does not reflect its complexity. It lacks clear structure and mission, uses haphazard arguments and often provides opinions without a sound backing either in theory or empirics. On the other hand, the sum of information accumulated in the thesis is impressive and the author had covered substantial mass of literature. Therefore, **I recommend the thesis for the defence and suggest grade C ("dobře").**

The thesis lacks a proper introduction where the author would explain the thesis motivation and main contribution. Instead, the thesis starts with a very simplified overview of the tax policy history (Chapter 2).

The third chapter deals with the personal income tax, but given its wide approach, the discussion is fragmented and often incomplete. The discussion of labour supply reaction to taxes (part 3.5, pages 41 to 44) is an illustrative case. The author discusses what "could be applied" and what we "may analyze" without actually doing either. In the same vein, the chapter does not provide any comprehensive overview of the European empirical studies on the labour supply decision and instead uses unspecified claims ("it is *generally* believed…").

The fourth chapter discusses changes in the tax policies in several OECD countries since the 1960's. Given the scope of countless policy changes, the chapter unavoidably brings only simple overview, without any substantial analysis. The discussion is supposed to come in the fifth chapter but it is so rudimentary and so much based on speculation that it is not much of use. Discussion of merits of tax harmonization (part 5.3., pages 89 to 97) is an attempt to formalize the discussion, but fails to bring convincing results. Overall, I recommend grade C for the thesis defence.