

Report on Bachelor Thesis

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

Student:	Florian Fiebig
Advisor:	Vilém Semerák
Title of the thesis:	Evaluation of Effects of "Cash for Clunkers"-like programs on car markets and macroeconomic situation

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

Mr Florian Fiebig decided to analyze effects of German "cash for clunkers" program with the use of the traditional input-output methodology applied on data from the WIOT table. The text is relatively comprehensive and provides an overview of the relevant effects of the financial crisis and of the role of fiscal policy in the portfolio of instruments used to address the crisis (section 2), description of German "Car Scrappage" program (section 3), relatively detailed description of the WIOT and of the methodology used to work with IO data (section 4). Section 5 provides the results: authors calculation of effects of simulated shocks on Germany on other countries as well as comparison of sensitivity to shocks in other sector.

The main contribution of the text:

- Unlike other past attempts to analyze the effects of similar programs this text uses data from the WIOT (World Input-Output Table) and therefore it can provide a significantly more detailed and interesting insight into the international spillover/leakage effects of the policy.

The main weaknesses of the text:

- Simplicity of the IO methodology. A more complex CGE model would be more suitable if the results should be used for policy-making. However, the CGE would have been a little bit too advanced for a bachelor thesis.

Suggested questions for the defense:

- What would have happened, had the Czech Republic implemented the "cash for clunkers" incentives? Would you expect the effects to be higher or lower than in Germany? Do your results provide some support for the Czech decision to avoid this kind of subsidy?
- Briefly explain the main problems which you faced when working with the World Input-Output Table.

In the case of successful defense, I recommend "**výborně**" (excellent, 1).

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

CATEGORY	POINTS
<i>Literature</i> (max. 20 points)	18
<i>Methods</i> (max. 30 points)	25
<i>Contribution</i> (max. 30 points)	23
<i>Manuscript Form</i> (max. 20 points)	16
TOTAL POINTS (max. 100 points)	82
GRADE (1 – 2 – 3 – 4)	1

NAME OF THE REFEREE:

Vilém Semerák

DATE OF EVALUATION:

September 2nd 2016

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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