

Report on Bachelor Thesis

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

Student:	Jan Žiačik
Advisor:	PhDr. Lucie Bryndová
Title of the thesis:	The COVID-19 measures: Impact on economies and mitigating spread of the disease

OVERALL ASSESSMENT

Short summary

This bachelor thesis studies the effect of COVID-19 measures (non-pharmaceutical interventions) on GDP growth and disease transmission. The measures are considered both cumulatively and separately and compared with the effect of voluntary lowering of the activity. All the implemented measures are evaluated based on their stringency on the given day in the given country/state. The results indicate that the economic decline was caused mainly by the implemented measures, not primarily by the voluntary decline in (economic) activity. The individual effect of the cancellation of public events was identified. More of the individual measures were found to be significant in containing the spread of the virus.

Contribution

This thesis broadens the limited literature available on the impacts of the COVID-19 measures. The contribution is evident as this is a worldwide relevant topic related to health and wealth; all research can help create evidence-based policies. The presented literature either covers a smaller amount of countries or a shorter time period (only part of the crucial year 2020). The thesis would benefit from a more profound connection between its two parts focusing on the impact of the measures on the economy and on disease transmission. Further evaluation and discussion of this tradeoff would increase this research value-added.

Methods

The methodology is appropriate for the author's level of studies. Specifications of fixed effects models are employed and accompanied by various tests on heteroskedasticity, serial correlation and collinearity. The choice of 96 countries/states is sufficiently justified. The analysis of GDP growth consists of panel data from 2014 to 2020. However, the contribution of using these historical data is not made clear. The adjusted R2 is high; however, the model's explanatory power seems to be hidden mostly in the time dummy variables. The inclusion of other variables could be considered. Overall, the thesis could refer to economic theories and models more. The interpretation of coefficients representing the effect of a change in an independent variable on GDP growth is inaccurate.

Literature

The student presents the existing relevant literature, which is very scarce given the topic focusing on the current situation. The discussion part compares his results with those published in the literature and elaborates why the results differ. All papers are quoted properly and mostly lucidly. Incorporating papers on previous pandemics (the Spanish flu) is quite interesting.

Manuscript form

The text includes too many grammatical mistakes (mainly in commas and articles) in almost every sentence. Some of the sentences are too long and complex, which sometimes prevents understanding. The text effectively refers to graphs and tables and disposes of a complete bibliography. I would recommend incorporating some graphs that would help understand the variables' distribution currently only described in the text.

Overall evaluation and suggested questions for the discussion during the defense

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This thesis considers an interesting, highly policy-oriented topic. The author demonstrates a sufficient understanding of the topic. The tools used are relevant and adequate to the author's level of studies. However, the thesis would strongly benefit from a grammar check.

Suggestions for the discussion during the defence:

1. Defend the choice of years 2014-2020 in the analyses of GDP growth.
2. Would the models explaining GDP growth and disease transmission benefit from an inclusion of other variables? What variables could be included?
3. Is the significance of school closures for reducing disease transmission in compliance with Czech/Slovak data on the most frequent places of infection? Why (not)?
4. The number of covid-related deaths per 100 000 inhabitants is presented as a proxy for voluntary reduction of the economic activity. Discuss more this choice of a proxy. Is there a better proxy for compliance with the measures in the countries/states?

The results of the Urkund analysis do not indicate significant text similarity with other available sources.

In my view, the thesis fulfils the requirements for a bachelor thesis at IES, Faculty of Social Sciences, Charles University, **I recommend it for the defence and suggest a grade B.**

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

CATEGORY	POINTS
<i>Contribution</i> (max. 30 points)	28
<i>Methods</i> (max. 30 points)	25
<i>Literature</i> (max. 20 points)	20
<i>Manuscript Form</i> (max. 20 points)	8
TOTAL POINTS (max. 100 points)	81
GRADE (A – B – C – D – E – F)	B

NAME OF THE REFEREE: Mgr. Lenka Šlegerová

DATE OF EVALUATION: 27. 5. 2021

*Digitally signed (27. 5. 2021):
Lenka Šlegerová*

Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

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.*

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.*

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

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.*

Overall grading:

TOTAL	GRADE
91 – 100	A
81 - 90	B
71 - 80	C
61 – 70	D
51 – 60	E
0 – 50	F