imess

IMESS dissertation						
Name:	Cornelius Amponsah					
Dissertation title:	The determinants of private savings in the EU: The case of the group of the eight new entrant states					
Scale: 5 - excellent, 4 - good, 3 - satisfactory, 2 - poor, 1 – very poor						
	5	4	3	2	1	
ARGUMENT:						
Clearly defined research question		4				No clearly defined research question
Answers research question				2		Does not answer research question
Well structured		4				Badly structured
Shows theoretical awareness			3			Shows no theoretical awareness
Conceptual clarity				2		Conceptual confusion
Empirically appropriate & robust				2		Full of empirical errors
Logical and coherent			3			Illogical and incoherent
Analytical		4				Descriptive
Critical			3			Uncritical
Shows independent thought			3			Does not show independent thought
SOURCES & USAGE:						
Evidence of reading/research		4				No evidence of reading/research
Effective use of sources/data			3			Ineffective use of sources/data
WRITING STYLE:						
Clear			3			Obscure
Good punctuation			3			Poor punctuation
Grammatically correct			3			Grammatically incorrect
PRESENTATION:						
Appropriate length			3			Too long/short
Good referencing			3			Poor/inconsistent referencing
Good spelling			3			Poor spelling
Good bibliography		4				Poor bibliography

Comments:

This is my second review of this thesis. It is somewhat improved compared to the previous version, although I believe more could have been done. The aim of the thesis is to study determinants of private savings in a few transition countries which is an important topic.

The thesis has a clear research question, but in my perspective it is still somewhat broad and not really motivated by some theory. The author has read a lot of literature on the topic, both I lacked more thorough synthesis of the literature, it reads more like list of references and results with no attempt to find links and interpret common findings. The thesis has a clear structure. There are still lots of typos, the tables in the appendix are not numbered (which makes the orientation harder), in fact tables in the appendix show the same results as those in the main body of the text, etc. The thesis could be written much more efficiently, with many descriptive sections shortened.

The author uses various estimation specifications and they often deliver quite different results. What typically happens is that the author picks the one that delivers the most significant results, but never discusses why it may be plausible that they deliver different results (to show understanding the differences across specifications).

One of the major conclusions of the study is that dependency ratio is an important determinant of private savings and that this result is robust across all specifications (p. 71 and elsewhere). This is simply incorrect, the correlation vanishes once we control for country-fixed effects (Table 2, column 2 and 4). I know it is hard to get significant results with country fixed effect given the low number of observations and time period, but the author should acknowledge that and be more cautious in deriving policy implications based on this finding – however plausible it sounds.

Despite the shortcomings I still believe the thesis is acceptable for a defence.

Specific Questions for oral defence:

The following question is the same as in my previous review, because I have not seen the author to address it in the text (it's hard to solve it with the data at hand but should be at least discussed).

(1) I was missing a more substantive discussion on the issue of causation, which I see as a central issue for any serious analysis that deals with determinants of savings, in particular on macro level. For example, Cornelius assumes that the observed correlation between growth and private savings implies causal effect of growth on savings. But take for example a simple Harrod-Domar growth model; it implies that more saving translate into more investments into capital and more capital leads to higher growth. Thus, the causal effect is opposite with different policy implications. There could also be some unobserved variable causing both to covariate and we would observe spurious correlation. An argument along similar lines could be made also about the correlation between the level of financial development and saving rate. What if high saving induce development of financial sector? My question for oral is the following: What results lead the author to believe that for example the relationship between growth and saving rate is causal?

Deducted for late submission:	Deducted for faulty referencing:	**Mark***:
Charles marker: **D**	Signed:	Date: June 5, 2010

*Mark: A = 70+; B = 65-69; C = 60-64; D = 55-59; E = 50-54; F = fail, less than 50, see Scheme of award –please, fill in this way: Charles/IMESS (e.g. Výborně/A)

Scheme of award (assessment criteria):

	Charles University**	IMESS
Excellent	Výborně [1]	A
Very Good	Velmi dobře [2]	B
Good	Velmi dobře [2.5]	C
Satisfactory	Dobře [3]	D
Sufficient	Dobře [3.5]	E
Fail	Neprospěl [4]	F