Report on Bachelor / Master Thesis

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

Student:	**Jakub Blaha**
Advisor:	**Ing. David Kocourek**
Title of the thesis:	**An Empirical Investigation of Wage Discrimination in Professional Football**

OVERALL ASSESSMENT

Author investigates wage discrimination in the American Major League Soccer during 2006-2016. In particular, he focuses on examining the effect of race and implementation of new salary policies. He uses Ordinary Least Squares and quantile regression to assess the effect in different parts of the wage distribution. Method of difference-in-differences is used to evaluate policy impact. Findings suggest significant discrimination in the lower quantile against Hispanic and African American players. However, race is not significant when using OLS.

Contribution

I acknowledge the originality of the idea and the careful analysis of the implemented methods. Author critically investigates his research question and provides results while being aware of possible further extensions.

Methods

Methodology appropriate to the student's level of studies is applied. Econometric models are suitable for the chosen research questions. Author provides his full awareness of possible issues arising from the presented methods and adequate knowledge of econometric and economic background. Dataset is described in detail supported by figures and tables, results are interpreted correctly. I consider missing indices in the presented model (eq. 5.3) where only error term possesses the index as one of the minor shortcomings.

Literature

Literature review is done thoroughly based on papers concerning the studied question. Theoretical as well as empirical studies are presented and quoted properly supporting student's command of recent literature.

Manuscript form

Thesis structure complies with the university norms. List of figures, tables and acronyms are included. However, proofreading should have been performed more carefully. Bibliography is complete and academic style is present in the whole text. Part about Jackie Robinson (although interesting) distracts reader from the main hypothesis and it is not necessary to include it in the main body of the text.

I suggest following questions to be answered:

- How does these results compare to the findings of previous studies examining wage discrimination in other sports/jobs? Explain possible reasons for similarities and/or differences.
- What is the reason behind the increase in average salary of 100 best players in 2015 and then substantial decrease in 2016 in Figure 4.1.?
- Do you consider statistics from previous 3 seasons to be enough for constructing average performance? Would 5 or more seasons be better? Why/why not?
- Is experience (e.g. number of years playing football professionally) important for determining the wage of the player? Why/why not?
- How do you explain the finding that wage discrimination is present only in the lower quantile while being absent in the upper quantile?

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Author demonstrated his ability of critical thinking and the empirical analysis is well performed. This thesis represents another proof that even simple methods combined with careful analysis can deliver an excellent work. Further research could benefit from separate examination of wage discrimination of players in different positions and including other explanatory variables. Overall, I recommend grade 1.

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

CATEGORY		POINTS
Contribution	*(max. 30 points)*	28
Methods	*(max. 30 points)*	27
Literature	*(max. 20 points)*	20
Manuscript Form	*(max. 20 points)*	18
TOTAL POINTS	*(max. 100 points)*	**93**
GRADE	**(1 – 2 – 3 – 4)**	**1**

NAME OF THE REFEREE: Mgr. Júlia Jonášová

DATE OF EVALUATION: 12.9.2017

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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