

REPORT ON MASTER THESIS
CENTER FOR ECONOMIC RESEARCH AND GRADUATE STUDIES

STUDENT:	Egor Iankov
ADVISOR:	Jeong Byeongju
TITLE OF THE THESIS:	Economic Growth in European Regions: Divergence within Convergence

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

CONTRIBUTION:

The thesis applies two statistical methodologies to detect and test for the convergence in GDP per capita across European regions. The period under investigation covers the last two decades, and a special attention is given to the institutional details. The author carefully collected the data at the NUTS-2 level of disaggregation. Overall, the study is done quite professionally, with new conclusions not previously discussed.

METHODS: The methods include a preliminary analysis of income dispersion measures and an OLS estimation of a beta-convergence model. The methods are adequate for the research question of detecting income convergence/divergence across European regions.

However, the formal policy evaluation analysis cannot be done with the current methods due to a number of identification issues.

The mechanisms that drive convergence/divergence cannot be addressed as well.

LITERATURE: Adequate. However, given that the topic has been researched excessively before, the literature review could be restructured to better highlight the contribution of the thesis rather than simply list prior papers. The contribution to the literature is not outlined sufficiently well.

MANUSCRIPT FORM: Good, but there is some room for improvement.

- The writing could be a bit more concise and better structured.
- The introduction does not clarify the exact contribution of the thesis to prior literature.
- Could be useful to separate the methodological part from the data description and the results.
- Some specifications are unclear. Tables and Figures should be more self-sufficient: It is often not clear which specification is estimated etc. Formatting is inconsistent.

SUMMARY AND SUGGESTED QUESTIONS FOR THE DISCUSSION DURING THE DEFENSE:

The manuscript is an adequate piece of research of Master's level.

Suggestions

1. What is the *main* message?
2. Given that the author is not the first to study convergence, I would expect more attention to be paid to some specific channels. Mechanisms are not clear. Similar issue: I am not sure if it makes total sense to break the sample to exactly match the programming periods. Should it not take some time for transfers etc to make a difference? Or do you focus on some short-term effects/channels only? Which ones?
3. Formal statistical testing in 3.3.2?
4. Beta-convergence: Unweighted or population-weighted specifications?
5. Chapter 4: Any political economy measures? Corruption, quality of institutions, labor market frictions etc.
6. To what extent are the results driven by Eastern European countries? For these countries a significant part of growth can represent a reversal of the contraction that followed the fall of the Soviet Union. I do like the idea of conducting a separate analysis in a 'top-5' subsample.

I recommend the thesis for defense.

TEXT ORIGINALITY CONTROL

I confirm that I acquainted myself with the report on the originality of the text of the thesis from

Theses Turnitin Ouriginal (Urkund)

Comments on the reported results:

SUMMARY OF POINTS AWARDED (for details, please see the page 3)

CATEGORY	POINTS
Contribution (max. 30 points)	23
Methods (max. 30 points)	23
Literature (max. 20 points)	20
Manuscript Form (max. 20 points)	19
TOTAL POINTS (max. 100 points)	85
GRADE (A – B – C – D – E – F)	B

NAME OF THE REFEREE:

Veronika Selezneva

DATE OF EVALUATION: August 31, 2022

Veronika Selezneva

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.

Strong	Average	Weak
30	15	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

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

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