Report on **Bachelor Thesis**

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

Student:	**Vít Kubů**
Advisor:	**Michal Šoltés**
Title of the thesis:	**Analysis of Migration and Crime: Evidence from the Czech Republic**

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

Please provide a short summary of the thesis, your assessment of each of the four key categories, and an overall evaluation and suggested questions for the discussion. The minimum length of the report is 300 words.

Short summary

This thesis adresses a very important and timely question, namely whether the migration wave of Ukrainian refugees in 2022 increased crime in the Czech Republic. The author uses crime statistics from 76 Czech districts (okresy) and relates them to district-level inflow of Ukrainians during 2022. To address endogeneity in the distribution of refugees among Czech district, the author uses a Bartik-type instrument, which is a popular tool in the related literature. The presented results suggest that there is some positive, though socially negligible relationship between immigration and crime, especially property crime.

Contribution

As written above, the question asked (and answered) in this theris is very relevant these days. I am not aware of any other empirical analysis of the relationship between Ukraininn migration wave of 2022 and crime.

Methods

The main estimation methid used to tackle the research question is adequatly chosen and well executed. The author is aware of the fact that migrants might not be distributed randomly over the country and applies a shift-share instrument (Bartik-style) to adress this problem. This gives the presented results a causal interpretation, what is a strong advantage of the thesis.

Discussion and presentation of the estimated model and it's interpretation are, however, weaker.

The authos argues that there is an omited bias in the proposed model (a relationship between the per-capita refugees inflow and 2022 crime rates). What is missing, it the expected sign of this bias. Dies the author expect a positve or negative bias? Why? Such discussion is crucial for evaluation of the results, when comparing OLS estimates with IV estimates.

We can see that in Table 5.2. (total crimes) OLS estimate is smaller than IV estimate, while in Table 5.3 (property crimes) the OLS estimate is larger than IV estimate (btw. there is a typo in the text describing this table: "*We can also note again the underestimation of the influence of explanatory variables when using the OLS method in the presence of endogeneity*" <- p.23). Are these differences as expected? What do they suggest about the allocation of fefugees?

There is some issue with interpretation of the results. On p. 21, when interpreting the results for total crimes, the author writes "*We can see that the migration wave of Ukrainians increased crime in the Czech Republic in 2022, but this increase is not substantial.*" This is not a correct conclusion. Given that the dependent variable represents 2022 crime rates across Czech districts and the explanatory variable is 2022 immigrant inflow, one can only say that districts with higher immigrant inflow have higher crime rates than districts with lower immigrant inflow. Using the instrument makes this relationship causal, so: more refugees in a district cause higher crime levels, in comparison to districs with fewer refugees. However, it does not mean that crime levels in the Czech Republic increases.

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Crime rates could have fallen between 2021 and 2022, but less so in districts with more refugees, and the results would look the same.

When interpreting the size of the estimated effect, the author is quite inspecific. For example: *"an increase by 1 in the Ukrainian flow leads to a 0.013% increase in the number of property crimes and a 0.01% increase in property crimes per capita."* (p.23). What does an increase by 1 mean? It is hard to judge whether the effect is economically relevant with such interpretation.

Finally (a minor comment), it is a bit confusing that both absolute and per-capita analysis is presented and interpreted. The author himself writes that absolute numbers are misleading, because districts differ in size. This argument should be enough to abandon anallysis of absolute numbers and concentrate on the per-capita analysis.

Another minor comment, which might be a topic for discussion during the defense: is unemployment believed to be an exogenous control variable?

Literature

The literature review is well organized and covers all relevant streams of literature. There are more relevant studies there, but I believe that for the purpose of a bachelor thesis the presented literature review is very good.

Manuscript form

The manuscript has a very well writen introduction. The remaining of the thesis is a bit weaker, it makes an impression of being written on the last moment. While all relevant information is conveyed, it is not well organized. For example, the reader learns about endogeneity in the studied relationship without knowing what is the equation to be estimated.
Another point to be risen is that the text explicitly suggests that the author "would like to present credible evidence that refugees or immigrants do not necessarily have to be associated with negative connotations". A proper academic analysis should not aim at providing evidence supporting a specific view. It should post a hypothesis that in the end might or might not be confirmed.
Still, the thesis forms a consistent text and reads quite well.

Overall evaluation and suggested questions for the discussion during the defense

The tesis by Vit Kubu asks and answers a very important question on the relationship between immigration and crime. The presented analysis is robust, as a neat and adequate methodology is used. On the other hand, the thesis suffers from some interpretation issues and confusing presentation of absolute numbers' analysis. Still, I believe that it is a very good piece of work, which – if rewritten – could be presented as a solid report on the effects of the 2022 Ukraininan immigration. In my view, the thesis fulfills the requirements for a bachelor thesis at IES, Faculty of Social Sciences, Charles University, I recommend it for the defense and suggest a grade B."

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

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

CATEGORY	POINTS
Contribution *(max. 30 points)*	30
Methods *(max. 30 points)*	25
Literature *(max. 20 points)*	17
Manuscript Form *(max. 20 points)*	15
TOTAL POINTS *(max. 100 points)*	**87**
GRADE **(A – B – C – D – E – F)**	**B**

NAME OF THE REFEREE: *Barbara Pertold-Gebicka*

DATE OF EVALUATION: **25.8.2023**

Digitálně podepsáno (25.8.2023)
Barbara Pertold-Gebicka

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Referee Signature

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**