REPORT ON MASTER THESIS
CENTER FOR ECONOMIC RESEARCH AND GRADUATE EDUCATION

STUDENT:	**Vít Illichmann**
ADVISOR:	**Ole Jann**
TITLE OF THE THESIS:	**Effects of voters' privacy on the public choice: How the microtargeted political advertisement affects the election results and voters' behaviour**

OVERALL ASSESSMENT: This is an interesting thesis on timely and relevant topic of micro-targeting of political messages in electoral campaigns. The first half or so of the thesis surveys the small but quickly growing literature on the topic. The second half of the thesis presents an original model that combines voters who express their preferences online (or stay silent) and candidates who have an option to learn about the silent votes by purchasing private data from online service providers.
The novel result the model delivers is that the more ideologically extreme candidates have stronger incentives to breach privacy rules and buy data from online service providers. Heuristically, because more ideologically extreme voters shy away from expressing their opinions online while moderate voters do not, the value of private information about voters is larger for the extreme parties (who know little based on publicly available data) than for the moderate parties (who can learn a lot about their voters from public data).

CONTRIBUTION: The thesis, in my opinion, makes two contributions. First, it provides a literature review on the topic of micro-targeting in electoral campaigns and on data privacy. Second, it presents an original model with a novel and interesting prediction. The novelty of the model is that it focuses on the incentives of parties to learn about their voters. The existing literature mainly focuses on the effect of allowing for targeted campaign messages.

METHODS: The methods are appropriate for what the thesis does. In the first part related literature is presented, summarized, and evaluated. In the second part, an original model is developed and solved.

LITERATURE: The thesis surveys well the related literature, both the theoretical one and the empirical one. The literature is presented, summarized, and evaluated.

MANUSCRIPT FORM: The presentation is clear and the thesis reads well. An occasional typo is a proof of authenticity.

SUMMARY AND SUGGESTED QUESTIONS FOR THE DISCUSSION DURING THE DEFENSE:

- I was not sure from the thesis whether the main theoretical prediction that more extreme parties have stronger incentives to breach privacy is borne out in empirical data (if any such study exists).

- The main theoretical result is that the more extreme parties have stronger incentives to breach privacy rules. One aspect that the model keeps constant is the amount of (new) information parties want to transmit to the voters. Presumably, if moderate parties had a lot of information to transmit to the voters and the information could only be transmitted via the targeted messages, then the moderate parties would have stronger incentives to breach privacy rules. Can you discuss which of the forces (your 'extreme parties know little' or mine 'extreme parties have nothing to say') dominates in reality?

Please indicate whether you recommend the Thesis for defense or not.

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

[X] Theses   [X] Turnitin   [X] Ouriginal (Urkund)

Comments on the reported results: None

SUMMARY OF POINTS AWARDED

CATEGORY		POINTS
Contribution	*(max. 30 points)*	30
Methods	*(max. 30 points)*	30
Literature	*(max. 20 points)*	20
Manuscript Form	*(max. 20 points)*	15
TOTAL POINTS *(max. 100 points)*		**95**
GRADE *(A – B – C – D – E – F)*		**A**

NAME OF THE REFEREE: Jan Zapal

DATE OF EVALUATION: August 30, 2023

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REFEREE SIGNATURE