

IMESS DISSERTATION



Note: Please email the completed mark sheet to Year 2 coordinator (jiri.vykoukal@post.cz)

Please note that IMESS students are not required to use a particular set of methods (e.g. qualitative, quantitative, or comparative) in their dissertation.

Student:	Yuhan Liu
Dissertation title:	The Impact of Financial Development on Innovation: A Comparative Study of Central and Eastern European Countries and Western European Countries

	70+	69-65	60-64	59-55	54-50	<50
	A	B	C	D	E	F
Knowledge <i>Knowledge of problems involved, e.g. historical and social context, specialist literature on the topic. Evidence of capacity to gather information through a wide and appropriate range of reading, and to digest and process knowledge.</i>	70					
Analysis & Interpretation <i>Demonstrates a clear grasp of concepts. Application of appropriate methodology and understanding; willingness to apply an independent approach or interpretation recognition of alternative interpretations; Use of precise terminology and avoidance of ambiguity; avoidance of excessive generalisations or gross oversimplifications.</i>			60			
Structure & Argument <i>Demonstrates ability to structure work with clarity, relevance and coherence. Ability to argue a case; clear evidence of analysis and logical thought; recognition of an argument's limitation or alternative views; Ability to use other evidence to support arguments and structure appropriately.</i>		65				
Presentation & Documentation <i>Accurate and consistently presented footnotes and bibliographic references; accuracy of grammar and spelling; correct and clear presentation of charts/graphs/tables or other data. Appropriate and correct referencing throughout. Correct and contextually correct handling of quotations.</i>		65				
Methodology <i>Understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.</i>			60			

ECTS Mark:	64/C	Charles Mark:	C	Marker:	Magdaléna Fiřtová
<i>Deducted for late submission:</i>			No	Signed:	
<i>Deducted for inadequate referencing:</i>				Date:	

MARKING GUIDELINES

A (UCL mark 70+) = A (Charles mark 91-100 - excellent): Note: marks of over 80 are given rarely and only for truly exceptional pieces of work.
Distinctively sophisticated and focused analysis, critical use of sources and insightful interpretation. Comprehensive understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.

B (UCL mark 69-65) = B (Charles mark 81-90 – very good)
C (UCL mark 64-60) = C (Charles mark 71-80 – good): A high level of analysis, critical use of sources and insightful interpretation. Good understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research. 65 or over equates to a B grade.

D (UCL mark 59-55) = D (Charles mark 61-70 – satisfactory)
E (UCL mark 54-50) = E (Charles mark 51-60 – sufficient): Demonstration of a critical use of sources and ability to engage in systematic inquiry. An ability to engage in sustained research work, demonstrating methodological awareness. 55 or over equates to a D grade.

F (UCL mark less than 50) = F (Charles mark 0-50 - insufficient): Demonstrates failure to use sources and an inadequate ability to engage in systematic inquiry. Inadequate evidence of ability to engage in sustained research work and poor understanding of appropriate research techniques.

Comments, explaining strengths and weaknesses (*at least 300 words*):

The submitted thesis examines the correlation between financial development and innovation. Ms. Liu categorized European countries into two distinct groups: Western European and Central and Eastern European (CEE) countries. Her study concludes that a positive connection exists between overall financial development and the enhancement of innovation. In CEE nations, all factors—financial depth, access, and efficiency—contribute significantly to the advancement of innovation. However, in Western European (WE) countries, this influence is comparatively smaller, primarily affecting research and development (R&D) and having a relatively lesser impact on patent applications.

Ms. Liu has adeptly executed a thorough and substantive literature review, displaying coherent engagement with sources and literature, skilfully presenting it in a meticulously organized and structured manner. A more in-depth exploration of literature pertaining to different types of innovation measurements, i.e. R&D and patents, would be beneficial.

Methodologically, the paper encounters a challenge it identifies in the literature review: the avoidance of country heterogeneity in the selected sample of countries to prevent compromising the results (p. 37). Regrettably, Ms. Liu expanded the CEE group beyond its traditional definition by OECD, which comprises Albania, Bulgaria, Croatia, the Czech Republic, Hungary, Poland, Romania, the Slovak Republic, Slovenia, and the Baltic States. This broader inclusion encompassed additional Southern and Eastern European countries such as Belarus, Ukraine, Moldova, Georgia, North Macedonia, and Serbia (CESEE countries). This broader inclusion, encompassing countries with different historical, economic and social contexts, introduces a heightened risk of bias in the results due to the substantial variations in financial development across these diverse nations. This variability is notably apparent in Figures 5, 7, and 9.

Findings. While the thesis yields partially intriguing findings, they remain descriptive and general. The concluding chapter, which delineates the findings, lacks a thorough exploration and contextualization of the outcomes. Which is difficult for such a broad and heterogeneous panel data. The significance of the findings is vaguely asserted, noting their relevance for "policymaking strategies aimed at stimulating innovation" (p. 81), and suggesting that "CEE countries can expand the scale of financial markets and diversify financial institutions in a way to stimulate innovation activities" (p. 83-84). This recommendation apparently forgets that this paper was only concerned with financial institutions and not markets. Moreover, in order to enhance the contextualization of the results, there is a notable need for further discussion on the influence of structural characteristics, political dynamics, institutional frameworks, and regulatory factors, all of which are pivotal determinants shaping the landscape of financial institutions.

Formally, the captions accompanying individual graphs should exhibit greater detail and descriptiveness. Notably, the figures do not encompass the complete panel of countries; the CEE charts lack representation for six countries, and one country is absent from the Western European charts. Furthermore, the language employed could benefit from increased attention to style and grammar, with a heightened sense of care and sensitivity.

Specific questions you would like addressing at the oral defence (*at least 2 questions*):

1/ To what extent did the selection of Southern and Eastern European countries for inclusion in the study of CEE countries potentially introduce selection bias, and how do you believe this bias may have influenced or impacted the observed outcomes and conclusions?

2/ How do the diverse political, economic, and cultural contexts across your two groups of countries interact with the relationship between the financial development of institutions and the level of innovation? How can these contextual differences be effectively incorporated into comparative research to avoid inaccurate generalizations?