IMESS DISSERTATION

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

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

Student:	ZIYI WANG
Dissertation title:	THE POLITICAL AND ECONOMIC INFLUENCE OF THE 16+1 INITIATIVE ON CEE COUNTRIES: FOCUS ON VISEGRAD GROUP

	70+	69-65	60-61	59-55	54-50	<50
	A	B	C	D	E	F
Knowledge *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.*					X	
Analysis & Interpretation *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.*						X
Structure & Argument *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.*					X	
Presentation & Documentation *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.*					X	
Methodology *Understanding of techniques applicable to the chosen field of research, showing an ability to engage in sustained independent research.*						X

ECTS Mark:	E/50	**Charles Mark:**	E	**Marker:**	Mgr. Michal Paulus
Deducted for late submission:	No			**Signed:**	
Deducted for inadequate referencing:				**Date:**	28.8.2023

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.

Please provide substantive and detailed feedback!

Comments, explaining strengths and weaknesses (_at least 300 words_):

General Assessment

The thesis suffers from two key weaknesses. At first, the empirical specification lacks proper theoretical justification and references to existing literature (both gravity models and empirical survey). Without such discussion the estimated models seem ad hoc and the results cannot be trusted. Secondly, I miss more detailed literature review which would clearly show the added value of the thesis with respect to the existing research. I will explain my concerns in more details below.

Because of that **I assess the thesis at the boundary of marks E and F. For the purpose of this evaluation, I assess the thesis with mark E (50 points) however I expect that the author will be able to explain chosen empirical strategy during the defense (see my questions below). Otherwise, I would recommend the commission to grade the thesis with F**.

My comments in detail

1) Empirical strategy

The thesis contains three empirical exercises: A) gravity model of trade, B) gravity model of FDI and C) survey of academic papers. The gravity model of trade (A) is constructed without any reference to standard theoretical background of that model which is rooted in derivation of a gravity model from microeconomic theory (see e.g., Anderson & Van Wincoop, 2003; Baldwin & Taglioni, 2006 or Head & Mayer, 2014). Key takeaway from that research (which has been acknowledged as a standard know-how in this area for many years) is that so called "naïve" gravity model suffers from an omitted variable bias because it does not address so called "multilateral resistance terms". The author ignores such discussion and therefore I regard the author´s specification as ad hoc (or naïve using the vocabulary of that stream of literature) and the results as very likely biased which also cannot be trusted. The reasons behind the chosen specification must be explained by the author during the defense.

The author also presents gravity model of FDI (B). Again, I miss any discussion about proper theoretical justification of the chosen specification. Even though there is no general agreement between scholars on one proper theoretical derivation of a gravity model of FDI from theory, still there has been a lot of research done and at least some approaches or attempts to derive a gravity model of FDI from theory shall be covered and discussed (e.g., one example of a structural gravity model of FDI is Kox & Rojas-Romagosa, 2020). Nothing like that can be found in the thesis. Again, the chosen specification then seems to me ad hoc and the results very likely biased.

In the last empirical part (C), the author presents a survey of political perceptions on the 16+1 initiative (section 4.4 Comparative Analysis). The section lacks more detailed description of the chosen methodology. In my understanding the author has divided research articles on 16+1 into several categories based on their opinions on the political influences of the initiative. However, the section does not explain the methodology of categorization and also does not describe the "dataset" (which articles has been surveyed and to which categories were selected). It is also unclear why just those 7 categories in table 4.4 were utilized – all of them contain only positive political impacts of the initiative. Does that mean that there is no relevant research suggesting possible negative implication of the initiative? Such dimensions are ignored and it is not explained why.

1) Literature review

The literature review is another important weakness and it is interconnected with the first and main critical point (empirical strategy). The author touches many topics in the review however it lacks clear focus on topics which are important for the thesis. That is the research on gravity models (trade and FDI) – both theoretical and empirical focused on 16+1 or similar problems. Treatment of theoretical research on gravity models is missing at all while the summary of existing empirical research relevant for the thesis is presented very briefly on page 18. The literature review covering methodology and empirical research relevant for the survey, which is presented in chapter 4.4, is also missing at all.

On the other side we can find summary of trade theories (chapter 2.2.2) or theories of international relations (chapter 2.2.3) while those passages are related to the rest of the thesis very vaguely. I would recommend the author to simply focus the literature review on the key parts of the thesis and back the empirical part with robust discussion of the existing research instead of diverging to many other interesting topics which are less relevant for the thesis.

Except of those two main critical comments, I recommend the author to significantly revise the whole text and delete repeating passages and marge chapters if possible. In other words, to polish the text.

Cited literature

Anderson, J. E., & Van Wincoop, E. (2003). Gravity with gravitas: A solution to the border puzzle. American economic review, 93(1), 170-192.

Baldwin, R., & Taglioni, D. (2006). Gravity for dummies and dummies for gravity equations.

Head, K., & Mayer, T. (2014). Gravity equations: Workhorse, toolkit, and cookbook. In Handbook of international economics (Vol. 4, pp. 131-195). Elsevier.

Kox, H. L., & Rojas-Romagosa, H. (2020). How trade and investment agreements affect bilateral foreign direct investment: Results from a structural gravity model. The World Economy, 43(12).

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

- What is the theoretical justification of your gravity model´s specification (gravity model of trade)? How do you cope with the problem of multilateral resistance terms? Explain your empirical strategy and how it is related to existing research.

- What is the theoretical justification of your gravity model´s specification (gravity model of FDI)? Explain your empirical strategy and how it is related to existing research.

- Explain the methodology of the survey presented in the chapter 4.4. How did you choose those 7 categories in table 4.4? How did you categorize the surveyed papers? Which papers have you revised (I do not see any reason for the nondisclosure)?

- Why are the possible negative implications of the 16+1 initiative ignored in the table 4.4 (page 50)? Does that mean that the research has been implying only potentially positive consequences of that policy?