

MASTER'S THESIS REPORT

International Economic and Political Studies (IEPS)
Faculty of Social Sciences, Charles University

Thesis title:	The Development and Innovation Research of Chinese SMEs in PostCOVID Era
Student's name:	Pan YueXin
Supervisor's name:	Doc. Ing. Vladimír Benáček, CSc.

Criteria	Maximum	Points
Contribution and argument (originality, justifiable research question and hypotheses, argumentation)	25	23
Theoretical framework (situating research into the existing knowledge)	25	18
Methodology (methods and data relevant to the research question and appropriately used)	20	14
Referencing to sources	15	13
Formal aspects (structure, logical coherence, layout, tables, figures)	10	9
Presentation (language, style, cohesion)	5	5
Total	100	82

Plagiarism-check (URKUND) match score (if the plagiarism-check (URKUND) match score is above 15%, the reviewer has to include his/her assessment of the originality of the reviewed thesis in his/her review): As an external supervisor, I was denied access to SIS and Urkund. According to my judgment, Miss YueXin progressed continually and independently

Reviewer's commentary according to the above criteria (min. 1,800 characters including spaces when recommending a passing grade, min. 2,500 characters including spaces when recommending a failing grade):

This thesis is a courageous project because it focuses on the core of the Chinese economy, which performs in millions of Chinese little towns scattered off the industrial beaten tracks. Meanwhile the Western economic literature covers well the performance of big private corporations, such as Huawei, etc., the behaviour of SMEs escaped largely Western attention. Miss YueXin concentrated particularly on the innovation, R&D, age, firm size and government policies of SMEs. Post-Covid time is seen by many as a start of a new type of Chinese economic development characterised by the accelerated rise of SMEs and driven by R&D combined with new government regulations. This study also reflects a part of that, offering new insights.

Although still limited in its academic analysis, this thesis could be a good reading to all who want to understand how the Chinese economy operates and where there are its driving forces. The review of literature is quite imposing by its extent of titles. Though partially encyclopedic, which the chat-bots allow to gather with ease, the majority of items indicate a short description of their content. The stress is given on the importance of Schumpeterian entrepreneurship in its modern interpretation (e.g. by Audretsch). The shortage of references on Chinese SMEs reveals the depth of deficit we have in our knowledge of their functioning. The key question laid on the Chinese SMEs is: are they entrepreneurial or stagnating (evolutionary) entities?

The methodology applied to this research is not from economics but from the business studies. It is based on the structured verbal assessment of the dynamics of enterprise growth based on R&D that is supposed to stir-up innovation underpinned also by the institutional incentives or disincentives. Hypotheses are then tested by a quantitative method. Altogether six hypotheses are raised and at the end tested. The data are collected via questionnaires sent to the Chinese SMEs. One must appreciate the stubbornness of the author to send out 400 e-mails to firms. The drawback of that success is that the collected samples represent just a part of the Anhui Province. The research results therefore could be related to the whole of China with much caution.

Chapter 3 (pp. 17-24) is dedicated to the description of the evolution of SMEs in China - unfortunately without citations of the related literature. Next, there is a chapter comparing the policies of SME development in Japan with those in China. The evidence has been retrieved from the websites of various government institutions. I am sorry but the final comparison would be more reader-friendly if the results were summed up in a table. The final chapter 5 contains the results of the analyses of data from questionnaires according to the raised five hypotheses. First, the quantification is based on graphs and tables, depicting the basic distribution of data and their variances and correlations, which is helpful. The data are fed into a regression model with five exogenous variables representing five tested hypotheses. The model tries to explain the factors promoting or constraining the R&D expenditures of SMEs. The data seems to be randomly distributed among its categories.

The final output is represented by a simple OLS regression, which seems trivial. However, given the data, I cannot foresee a better method of estimation. What matters is the content of the regression, which is an original achievement.

Proposed grade: B

Suggested questions for the defence:

Explain to which extent and why the Chinese SMEs are productively entrepreneurial, and to what extent they are constrained in their productive development.

Is rent-seeking, abuse of markets and corruption a problem in Chinese enterprises?

I recommend the thesis for the final defence.



Signature

Overall grading scheme at the Faculty of Social Sciences, Charles University:

Total Points	Grade	Quality standard
91–100	A	= outstanding (high honour)
81–90	B	= superior (honour)
71–80	C	= good
61–70	D	= satisfactory
51–60	E	= low pass at a margin of failure
0–50	F	= failing, the thesis is not recommended for defence