Report on Bachelor / Master Thesis

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

Student:	Bc. Adam Slavík
Advisor:	PhDr. Jaromír Baxa, Ph.D.
Title of the thesis:	Impact of Populism on Macroeconomic Situation Within a Country

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

The thesis investigates the macroeconomic effects of populism using the Synthetic Control Method (SCM) to compare 18 populist-led countries to synthetic versions without populist leadership. The study provides valuable insights into GDP growth, income inequality, and investor confidence in the context of populist regimes, highlighting distinctions between left- and right-wing populist impacts. While the topic is highly relevant, the execution lacks precision in some areas, and the analytical depth could be improved.

Contribution

The thesis addresses a timely and important issue, particularly as populism continues to reshape the global political landscape. I like the personal motivation. What I miss, on the other hand, is a better introductory section which would provide a brief literature review and better motivate the topic of the thesis, along with explicitly identifying the original contribution to the existing literature. The differentiation between left- and right-wing populism and averaging over the analyzed countries seems to add novelty but it would be nice if the author stated it himself explicitly. I like the thorough discussion of the individual countries. It provides the important context of the analysis and motivates the discussion of results later.

Methods

The application of SCM is appropriate for the research question, and the overall approach is sound. However, the analysis would benefit from further robustness checks. One notable issue is the lack of attention to statistical significance. For example, the thesis does not perform placebo tests or estimate confidence intervals using bootstrapping, which would provide a clearer understanding of the significance of the results. These methods are particularly important when dealing with SCM, as they help ensure that the findings are not purely driven by random chance or specific sample characteristics.

It is nice that the author discusses some potential shortcomings, especially regarding the donor pool selection, in chapter 5. I like how the author tried to synthesize the results for individual countries to get an average estimate of the impact of right-wing and left-wing populism. Even though I am not sure how methodologically sound that is, I still like the idea.

It feels strange that no numerical results are provided, not even in the appendix. Even though the figures are informative, I would still expect to see something more specific, including a discussion if all the assumptions of the used methods are met.

Literature

The literature review is rather brief and doesn't practically focus on the impact of policies (not necessarily just populism) on the macroeconomy. This is one of the major deficiencies of the thesis. Also, the author sometimes quotes large portions of text, even though I don't think it necessary. For

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example, on p. 7 the whole subsection on Left-wing political populism is one long quotation. The same is true for p. 10. Moreover, in case of direct quotations, the author doesn't refer to the original sources in a correct way – the page numbers are missing.

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

Manuscript form

The introduction could be more concise and should focus more on outlining the research questions. I also don't think it is appropriate to so extensively use bullet points in the thesis, as on pp. 28–29. Other than that, I find the structure of the thesis clear and the text is pleasure to read. There are just a couple of typos or coding mistakes, such as wrong references to figures. A more thorough proofreading and editing process would help.

Overall evaluation and suggested questions for the discussion during the defense

This thesis addresses an important topic and applies a valid methodology. Focusing first on individual countries and only later trying to synthesize the results and obtain average effects provides a nice way to follow the argument and be aware of the limitations.

In my view, the thesis fulfills the requirements for a master's thesis at the Institute of Economic Studies, Faculty of Social Sciences, Charles University. Even though there is some room for improvement in both the analytical depth and manuscript presentation, I recommend the thesis for defense with a grade of B.

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

CATEGORY		POINTS
Contribution	*(max. 30 points)*	27
Methods	*(max. 30 points)*	25
Literature	*(max. 20 points)*	15
Manuscript Form	*(max. 20 points)*	18
TOTAL POINTS	*(max. 100 points)*	**85**
GRADE	**(A – B – C – D – E – F)**	**B**

NAME OF THE REFEREE: PhDr. Jiří Schwarz, Ph.D.

DATE OF EVALUATION: 8.9.2024

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Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

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