

**MASTER'S THESIS REPORT**  
International Economic and Political Studies (IEPS)  
Faculty of Social Sciences, Charles University

<b>Thesis title:</b>	Unraveling the 2019 Lebanese Financial Crisis: Analyzing the Applicability of Hyman Minsky's Financial Instability Hypothesis
<b>Student's name:</b>	Jason El Murr
<b>Supervisor's name:</b>	Michal Paulus

<b>Criteria</b>	<b>Maximum</b>	<b>Points</b>
Contribution and argument (originality, justifiable research question and hypotheses, argumentation)	25	20
Theoretical framework (situating research into the existing knowledge)	25	20
Methodology (methods and data relevant to the research question and appropriately used)	20	13
Referencing to sources	15	15
Formal aspects (structure, logical coherence, layout, tables, figures)	10	10
Presentation (language, style, cohesion)	5	5
<b>Total</b>	<b>100</b>	<b>83</b>

**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):

The text of the author is original. The identified parts of the text by the anti-plagiarism software are mostly citations or commonly used phrases such as FIH.

**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):

The thesis examines the financial crisis in Lebanon which happened in 2019. The author looks at the crisis through the perspective of Hyman Minsky's Financial Instability Hypothesis (FIH). Because of the dubious nature of the macroeconomic data the author chooses to examine his research questions using a case study approach. The aim of the author is to also at least partially cover also the political drivers leading to the crisis.

The thesis includes quite large literature review where the author at first explains Minsky's Financial Instability Hypothesis and his predecessors. Then the author explains very briefly history of Lebanon and continues with description of current economic and political events leading to the financial crisis. The whole Literature Review chapter is concluded with the subsection 1.5 where the hypotheses are formulated.

I would recommend the author to polish the section 1.5.

- E.g. the hypotheses can be numbered for transparent identification during the text. E.g. H-1, H-2 etc.

- In case of the third set of variables (inflation, currency devaluation etc.) is not clearly stated whether they are used to test Minsky's FIH or are used as another supplementary variables.
- Then I am not sure that all of the mentioned hypotheses are tested in the paper – especially the last related to the group of “soft parameters”. Firstly, I do not see clearly specified hypothesis and then secondly those variables are “explored” and the author does not state their expected behaviour. Therefore, I would not include that group of variables between hypotheses or frame such variables more precisely.

The chapter 2 is devoted to methodology where the author describes his reasons for the choice of case study. Given the state and reliability of macroeconomic data in Lebanon I understand such pragmatic choice.

The chapters 3 and 4 represents main analytical contribution of the author. The author step by step analyses variables mentioned in the chapter 1.5. where I would welcome clear statements whether hypotheses were rejected or supported by the presented evidence (such summary is at the beginning of the chapter 4 however such paragraph can for example conclude the chapter 3 or each of its subsections).

The thesis then continues with policy recommendations (chapter 5) and conclusion (chapter 6). I grade the thesis as B because I find it well written and I appreciate pragmatic approach of the author to examine financial crisis in a country with quite unreliable macroeconomic data. I also positively evaluate author's aim to combine economic and political analysis because such phenomena such as financial crisis in Lebanon are hardly understandable from just one perspective.

**Proposed grade: B**

**Suggested questions for the defence:**

- Are the “soft parameters” which you present in the chapter 1.5 related to some hypothesis you wanted to test?
- Which of the policy recommendations (chapter 5) you find the most important one and why?
- Which of these factors – economic or political ones - were the more important drivers of the crisis? What is your opinion?

**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