Report on **Bachelor / Master Thesis**

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

Student:	**Bc. Miroslav Palanský**
Advisor:	**Petr Janský, Ph.D.**
Title of the thesis:	**The Value of Political Connections: Evidence from the Czech Republic**

OVERALL ASSESSMENT *(provided in English, Czech, or Slovak):*

Miroslav Palanský wrote an excellent, policy-relevant empirical thesis on the value of political connections in the Czech Republic. The aim of his thesis was to estimate a proxy variable for political connections of firms and to approximate the effect of being connected to a political party on the financial performance of such firms. He finds that the connected firms perform significantly better than the non–connected ones in the years following the establishment of the connection.

In terms of methodology, he develops a novel approach to matching connected firms with their non–connected but otherwise similar peers over time, and finds that on average, the connected firms report returns on equity and returns on assets approximately 20–30 % higher than the non-connected ones.

Miroslav made good use of the existing relevant literature and applied empirical methods carefully, using a novel dataset that he collected in collaboration with others. As a master thesis, the contribution to existing research is outstanding. However, in comparison with the currently published articles in top academic journals on related topics, Miroslav approach might benefit from even better writing and especially structuring, more powerful exposition of his contribution to the existing research as well as a better argument how the Czech results are relevant to the international discourse.

The practical contributions of Miroslav's thesis are extraordinary for a student thesis. He co-authors and subsequently explores the most detailed publicly available data set on political party financing in the Czech Republic between 1995 and 2015. Besides his thesis I am aware of his efforts at the policy level within the NGO Econlab, using the same data to improve the situation in the Czech Republic.

I appreciate Miroslav's decision to add another, more technical paper on data to his main, most substantive part, to avoid diluting the latter with additional, unnecessary text to attain the minimum of characters required for a thesis.

Overall, I am content with the results of Miroslav's work as well as the fact that he already decided to pursue the publication of parts of the thesis in an academic journal. I believe that the quality and relevance of his work warrants a submission to some of the leading academic journals in the relevant fields of economics.

In short, Miroslav did a great job of writing a thesis and I recommend a grade of **excellent (výborně).**

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

CATEGORY		POINTS
Literature	*(max. 20 points)*	20
Methods	*(max. 30 points)*	30
Contribution	*(max. 30 points)*	28
Manuscript Form	*(max. 20 points)*	20
TOTAL POINTS	*(max. 100 points)*	**98**
GRADE	**(1 – 2 – 3 – 4)**	**1**

NAME OF THE REFEREE: **Petr Janský, Ph.D.**
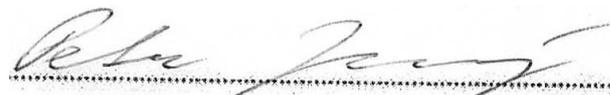
DATE OF EVALUATION: **3rd June, 2016**   *Referee Signature*

EXPLANATION OF CATEGORIES AND SCALE:

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

Strong	Average	Weak
20	10	0

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.*

Strong	Average	Weak
30	15	0

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.*

Strong	Average	Weak
30	15	0

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.*

Strong	Average	Weak
20	10	0

Overall grading:

TOTAL POINTS	GRADE		
81 – 100	1	= excellent	= výborně
61 – 80	2	= good	= velmi dobře
41 – 60	3	= satisfactory	= dobře
0 – 40	4	= fail	= nedoporučuji k obhajobě