Report on Bachelor / Master Thesis

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

Student:	**Tomáš Petrus**
Advisor:	**Bc. Daniel Kolář, MSc.**
Title of the thesis:	**The Impact of Universal Basic Income on Redistribution and Poverty in Italy: A Multi-Scenario Analysis Using HFCS Data in EUROMOD**

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

Short summary

The thesis aims to simulate the impact of universal basic income on income redistribution and at-risk-of-poverty rates using data on Italian households in 2013-2014. The author's original intention was to conduct the analysis for the Czech Republic, but the data was not freely available. The author utilizes the existing tax-benefit microsimulation model EUROMOD for policy analysis, developed by the Institute for Social and Economic Research at the University of Essex, and analyzes three different scenario: conservative, moderate and ambitious. The design of scenarios and the choice of paramaters (different tax rates and benefit levels) is well explained. The effect of scenarios on income redistribution and poverty is demonstrated from various perspectives, including income levels, household type, gender, age, and labor status. The author compares his findings with existing literature, discusses limitations and explores potential directions for future research.

Contribution

There is an extensive body of literature utilizing the EUROMOD model for policy analyses; some studies even delve into the analysis of universal basic income, as this thesis does. The thesis makes a notable contribution by utilizing a previously untapped set of data. Additionally, the author introduces the consideration of wealth tax in the scenarios, which has been overlooked in prior research. Despite facing initial data constraints for the intended Czech Republic analysis, the author adeptly employs the EUROMOD model for insightful policy analysis.

Methods

The author applies the existing tax-benefit model developed by other researchers. From my understanding, the main tasks involved data preparation, learning the model's usage, and parameter selection. The choice of parameters was thoroughly discussed, but I noticed a lack of explanation on how the author set different thresholds for various tax rates; the discussion only covered the maximum tax rate.

Literature

The thesis demonstrates author's understanding and command of literature related to universal basic income, policy analyses employing the EUROMOD model and real-world experiments of the universal basic income. The author generally quotes relevant literature appropriately, there were only two minor issues I could identify with citations in the text on page 14 and 17.

Manuscript form

The thesis is formatted in Microsoft Word. The structure of the thesis appears overly detailed in certain sections, particularly in redundant subsections 4.1 and 6.1. Additionally, I would prefer incorporating a graphical representation for Table 6 to enhance clarity. The Czech abstract seems to have been automatically translated and lacks smooth readability.

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Overall evaluation and suggested questions for the discussion during the defense

The thesis serves as an exercise in estimating the impacts of various policy scenarios. Despite its straightforward methodology, the author executes the analysis with precision and offers a comprehensive discussion at the conclusion. Overall, my impression is positive. In my assessment, the thesis meets the requirements for a bachelor thesis at IES, Faculty of Social Sciences, Charles University. I recommend it for defense and propose a grade of B. The Urkund analysis results indicate no significant text similarity with other available sources.

In your examination, the proposed policy adversely affects pensioners and the elderly. If you were to choose parameters anew, would you consider making any adjustments? Additionally, could you discuss whether this negative effect would be present when analyzing data from the Czech Republic?

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

CATEGORY	POINTS
Contribution (max. 30 points)	23
Methods (max. 30 points)	25
Literature (max. 20 points)	19
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. Lenka Šťastná, Ph.D.

DATE OF EVALUATION: 16.1.2024

Digitálně podepsáno (16.1.2024)
Lenka Šťastná

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Referee Signature