MA *Economics of Globalisation and European Integration*

Reader's Report

Dissertation title: **Trade openness and income inequality in Eastern Europe**

Candidate: Matej Krcma

NAME OF READER: Peter Claeys

FINAL OVERALL GRADE: 4/5

Presentation of the dissertation objectives (motivation, main objective, bottom line, etc.)	4/5
Organization of the dissertation (division in sections, introduction and conclusions, etc.)	4/5
Use of presentation devices (tables, graphs, referenced material, quotes, etc.)	4/5
Development of the argument and provision of evidence for the dissertation objective (including references to the literature)	4/5
Originality of the work	4/5
Length of the dissertation	4/5

Motivation:

I find this a very enjoyable paper to read. With a polishing of the writing style, and some considerable improvement in the econometric work, this would be an excellent paper. I appreciate the analytical discussion of the topic. The theme is extremely well introduced, discusses the various hypotheses to come to some estimable econometric form, and discusses the evidence in an interesting way.

Any additional comments:

- the empirical section discusses an econometric model, not a theoretical model
- the econometric model is a bit flawed for two reasons. First, the estimation should be done in a panel model that does not mix time and cross-section. Second, the data could be put together in one regression, and the difference over the time periods tested with a break test (Chow or Andrews).