

# The Review of the Opponent of the Doctoral Thesis

## Value Chains and Competitiveness in Europe: A Comparative study of the Czech Republic and Switzerland

Author: Sarbani Bublu Thakur-Weigold, MSc (Department of World Economy, Faculty of International Relations, UEP Prague)

The doctoral thesis „*Value Chains and Competitiveness in Europe: A Comparative study of the Czech Republic and Switzerland*” by Sarbani Bublu Thakur-Weigold concerns the very important and actual topic. The global value chains (GVCs) became very important players of the global economy and in many aspects change the traditional approaches to it e.g. in measuring trade balances of countries, trade, investment and other nation-state economic policies etc. The topic fits perfectly with the field of the study of the Department of World Economy; the department is just working on the project concerning the involvement of Czech companies into these GVCs, resp. the appropriate arrangement of the state incentives and institutions for it. The complete doctoral thesis numbering 156 pages, inclusive the Biography consists of Introduction, three chapters and Conclusion and Policy Recommendations; the extent and the structure are adequate for this kind of qualification works. The language of the thesis is very readable and cultivated.

**The title of the doctoral thesis** fits and well characterizes the core of the solved problem.

**The goal of the doctoral thesis** is firstly at the theoretical level – to summarize the knowledge concerning the GVCs from the point of view of Economics, Geography, Sociology and Operations Management (chapter 1). Secondly, the thesis struggles for the practical recommendations how to set economic and firm policies, especially how to move to a higher level of the value creation in the GVCs and how to get maximum of the wealth for the locally bound citizens (chapters 2 and 3). For achievement of these goals, the author addresses two appropriate research questions.

**The structure of the thesis** is logical and well arranged, and represents the considered and mature intent of the thesis. The author proceeds from the general definitions and theory to the concrete analysis and applications.

**The Introduction** brings the basic explanation of the solved problem. The author states here the goal and two research questions. I especially appreciate here that you can feel from the introduction the personality of the author and her mature and reasonable positions, which attract a reader to reading.

As a theoretically biased reviewer, I really appreciated **chapter 1**. The author gathered in it the view of different scientific disciplines concerning GVCs, which even differ in the used names for these structures of the world economy: global value chains, global supply chains, global production networks according to the accented aspect of their existence. The author formulated at the beginning of the chapter six questions for “each science”, and at the end of the chapter 1 she answered them based on her studies of the literature.

The author brings conclusion of the following research disciplines: Macroeconomics, Sociology, Economic Geography, International Business, Operations, and Supply Chain Management. The author studied the relevant literature in this respect. As the main conclusions of macroeconomics, I especially consider that the denationalization of the comparative advantage and no need for the domestic industrial basis creation, just involvement into the

GVCs is enough. The very important issue for analysis is that it is definitely more suitable to measure Trade in Value Added (TiVA) to avoid double counting because of material and semi-products imports and exports.

Sociology especially stresses that GVCs are not only some technical production procedures but they also include the whole complex of relations and participants round the GVCs in which state should intervene.

In the view of Economic Geography, I especially agree with the two-fold view: subjects in the global economy are not only in a competitive position but also at the same time their collaboration and cooperation can bring synergetic positive effects (nation-states vs. MNE; nation-state and MNE). I find as a very important idea in this sense that *the collaborative processes may be the most rational forms of maximizing rent for all participants*” (pp. 17, 47, 65, 67 etc.)!

I would appreciate **the opinion of the author what is the qualitative change between the approach of IB and the approaches of previous science disciplines**. It could be a part of the verbal defence of the thesis in front of the Commission.

The last cited discipline is Supply Chain Management that the author presents as a more practical micro discipline. The readers can get here the starting point where the supply chains came from, what the GVCs were developed from etc. The view of all previous disciplines I feel as coming after historically and logically, after the development of GVCs into the nowadays size. In my view, it would be more logical to start with the approach of the Supply Chain Management as the first subchapter but I respect the choice of the author.

I really appreciate the final original table (p. 70) presenting very illustratively the basic knowledge of the presented sciences on GVCs, their paradigm shift, definition of developmental effects and policy implications.

**The chapter 2** is the application part of the doctoral thesis starting with three research questions. The author chose two small open economies the Czech Republic and Switzerland and studied their embeddedness into the MedTech GVCs. The choice was definitively driven by the author’s bias to both countries but at the same time, I consider it for very lucky for many reasons: the similar size of both economies, dependency on their openness in economic relations, on the other hand also the opposite high- and low-wage characters of them and streaming to “be as Switzerland” in case of the Czech Republic. I consider the comparison being well done, solidly and rich in content, illustrated by the tables and graphs on her own. [It is possible to say the same about the description of the MedTech industry and the value creation along the MedTech value chain. The author also described in detail and appropriately the used data and technology.

As for the ideas, I really appreciate the implicit or even explicit expressions of the author that it is necessary to sell always “the solution of the customer’s situation” that means the pack inclusive as many services as possible. Just the services are vehicles of the highest value added. The second important inspiring point is the flexibility in which the concrete cited Swiss company was able to do changes. The table 10 (pp. 112, 113) shows changing activities step by step in months!

After the process of the practical explanation of the company’s strategy, the author also reminds of deeper theoretical consequences – e.g. the influence of the value chain on the regional development, even the new economic paradigm coming with this phenomenon and other considerations (sub-chapter 2.3). Someone could dispute the position of this sub-chapter in this application chapter, as for the logical structure but for me it is not the fundamental problem.

**Chapter 3** presents the top of the complete doctoral thesis. The conclusions and policy recommendations are based on the author’s own research and studies with the theoretical background in the relevant literature. The author responded to the addressed questions by the

text. I definitely agree with the author that the theory lags behind the practice. The presented doctoral thesis in this way is surely moving knowledge ahead and it is the contribution to a better understanding the nowadays world economy. It was enrichening for me as the reviewer and I read it with a keen interest.

The used **methodology** is adequate and responds to the requirements concerning this kind of the qualification works; the work with **resources** is appropriate.

The **formal presentation** is adequate.

Except for **economic theory** – showing the structure of the problem, the doctoral thesis has also very important **practical policy implications** and many, especially Czech government and local bodies, agencies, institutions and other participants can make use of it.

**The presented doctoral thesis by Sarbani Bublu Thakur-Weigold, MSc definitely fulfils the requirements put on the doctoral theses and I recommend it to defence it in front of the relevant Commission.**

As. Prof. Martina Jiráňková, Ph. D.

Department of World Economy  
Faculty of International Relations  
University of Economics

Prague, 26th April 2020