

博士論文審査結果報告
Report on Ph.D. / Doctoral Dissertation Defense

National Graduate Institute for Policy Studies (GRIPS)
政策研究大学院大学
Professor LITSCHIG Stephan

審査委員会を代表し、以下のとおり博士論文審査に合格したことを報告します。

On behalf of the Doctoral Dissertation Review Committee, I would like to report the pass result of the Doctoral Dissertation Defense as follows.

プログラム名 Program	政策分析プログラム Policy Analysis Program	
学位申請者氏名 (ID) Ph.D. Candidate (ID)	Pervin Shahida (PHD18101)	
Dissertation Title 論文タイトル (タイトル和訳)	Labor Market Effects of Public Sector Hiring Policies and International Apparel Sector Monitoring in Bangladesh 公共部門雇用政策と国際アパレル部門へのモニタリング強化が労働市場に与えた影響：バングラデシュの事例	
学位名 Degree Title	博士 (開発経済学) Ph.D. in Development Economics	
論文提出日/ Submission Date of the Draft Dissertation	2023年6月9日/ June 9, 2023	
論文発表・審査会開催日/ Date of the Defense and the Doctoral Dissertation Review Committee	2023年7月7日/ July 7, 2023	
論文最終版提出日/ Submission Date of the Final Dissertation	2023年8月23日/ August 23, 2023	
審査委員会/ Doctoral Dissertation Review Committee	主査 Main referee	LITSCHIG Stephan
	審査委員 Referee	木島 陽子 KIJIMA Yoko
	審査委員 Referee	HSU Minchung
	審査委員 Referee	牧野 百恵 (独立行政法人日本貿易 振興機構アジア経済研究所) MAKINO Momoe (IDE-JETRO)
	審査委員 (博士課程委員会) Referee (Doctoral Programs Committee)	INTARAKUMNERD Patarapong

※ タイトルが英文の場合、文部科学省に報告するため、和訳を付してください

Please add a Japanese title that will be reported to MEXT.

1. Summary of Defense and Evaluation

Shahida's thesis evaluates labor market effects of two major policies in Bangladesh. The first chapter empirically explores the trade-off between workplace safety and employment. Following the 2013 Rana Plaza factory collapse which cost over a thousand lives, international buyers as well as the government stepped up monitoring of working conditions in Bangladesh's garment sector during several years. Shahida's study exploits the fact that apparel manufacturing and thus increased monitoring were concentrated geographically and constructs a subdistrict-level panel dataset accounting for border changes. Her results show that in the decade prior to the Rana Plaza collapse and international involvement, places where apparel was the dominant manufacturing sector experienced substantially higher manufacturing employment growth compared to places without apparel. Over the subsequent decade, these trends reversed. Shahida's study provides the most compelling evidence of a workplace safety versus employment trade-off in Bangladesh to date, contrary to recent firm-level evidence finding no evidence of such a trade-off.

The second chapter investigates whether overly attractive government jobs distort the labor market based on survey and census data from the last 30 years as well as an original online survey. The first main finding is that the employment rate in the private sector increases by about five percentage points at age 30, when eligibility for public sector jobs in Bangladesh expires. The result is consistent with theoretical work on public sector attractiveness, predicting that it will lead people to "queue" for public sector jobs for as long as they are eligible. Moreover, the public sector premium may also divert potential entrepreneurs away from the private sector and hamper its development. However, as in many other countries, entry into the public service in Bangladesh is based on competitive selection exams. Even though most of the candidates will not get the desired public sector job, the preparation itself may provide useful in the private sector. The findings from Shahida's online survey suggest that especially the time

cost of exam preparation is substantial. Also, about twenty percent of respondents state that they would have developed their own business, had they not been studying for the government job. At the same time, about two thirds of respondents found the material they studied for the civil service exam at least somewhat useful for private sector jobs. To my knowledge, Shahida's paper is the first to quantify the direct and indirect costs of civil service exams, as well as benefits in terms of human capital accumulation.

2. Dissertation overview and summary of the presentation.

Shahida's thesis evaluates labor market effects of two major policies in Bangladesh. The first chapter, "Effects of safety law enforcement in the manufacturing industry: evidence from a multinational involvement in the export-oriented garment industry of Bangladesh" empirically explores the trade-off between workplace safety and employment. Following the 2013 Rana Plaza factory collapse which cost over a thousand lives, international buyers as well as the government stepped up monitoring of working conditions in Bangladesh's garment sector during several years. Shahida's study exploits the fact that apparel manufacturing and thus increased monitoring were concentrated geographically and constructs a subdistrict-level panel dataset accounting for border changes. Her results show that in the decade prior to the Rana Plaza collapse and international involvement, places where apparel was the dominant manufacturing sector experienced substantially higher manufacturing employment growth compared to places without apparel. Over the subsequent decade, these trends reversed. It is of course possible that employment growth in apparel-dominant places would have slowed even in the absence of the monitoring episode. But the fact that registered employment actually declined in apparel-dominant places - while it increased in places without apparel - suggests that heightened monitoring was at least partly responsible for the decline. As far as I can tell, Shahida's study provides the most compelling evidence of a workplace safety versus

employment trade-off in Bangladesh to date, contrary to recent firm-level evidence finding no evidence of such a trade-off.

The second chapter, “Are overly attractive government jobs distorting the labor market? Evidence from Bangladesh”, is based on survey and census data from the last 30 years as well as an original online survey. The first main finding is that the employment rate in the private sector increases by about five percentage points at age 30, when eligibility for public sector jobs in Bangladesh expires. Higher employment is driven by females in later years of the sample period after a pay reform that doubled public servant salaries. The result is consistent with theoretical work on public sector attractiveness, predicting that it will lead people to “queue” for public sector jobs for as long as they are eligible. Moreover, the public sector premium may also divert potential entrepreneurs away from the private sector and hamper its development. However, as in many other countries, entry into the public service in Bangladesh is based on competitive selection exams. It is therefore likely that candidates prepare themselves for these exams and even though most of them will not get the desired public sector job, the preparation itself may provide useful in the private sector, similar to the brain-gain effect in international migration.

In order to investigate these channels, Shahida conducted an online survey with past and present applicants for public sector jobs as well as with those who never applied. Overall, the findings of the survey suggest that especially the time cost of exam preparation is substantial and that both selection and human capital accumulation channels are at play. About twenty percent of respondents state that they would have developed their own business, had they not been studying for the government job. At the same time, about two thirds of respondents found the material they studied for the civil service exam at least somewhat useful for private sector jobs. Again, as far as I know, Shahida’s paper is the first to quantify the direct and indirect costs of civil service exams, as well as benefits in terms of human capital accumulation.

3. Evaluation Notes from the Doctoral Dissertation Review Committee (including changes required to the dissertation by the referees)

The original submission had included an additional incomplete chapter providing a formal model of how the public sector premium might affect the labor market. At the meeting it was decided to partially integrate this part into the second chapter.

Several referees were unconvinced by the common trends assumption required for causal interpretation of the monitoring effect on employment, suggesting that perhaps labor-saving technological change was simply faster in apparel compared to other manufacturing sectors. This was addressed by showing that in the years prior to Rana Plaza, importation of garment manufacturing equipment was steady and by pointing out that such labor-saving technological change might of course have occurred precisely because increased monitoring made hiring labor more expensive.

One referee also pointed out a recent publication that seemed to show qualitatively similar results based on a different methodology. This was addressed by citing the study while also pointing out its limitations.

Another concern was that the original online survey might not be representative because the response rate was only about 50 percent. While this was more explicitly acknowledged in the revision, it was also addressed by showing that based on available data on income and education, respondents looked quite similar to the general population on average.

4. Confirmation by the Main Referee that changes have been done to the satisfaction of the referees and final recommendations

About five weeks after the defense, the candidate submitted the revised manuscript to the committee members along with a point-by-point response to the comments and questions

from the defense. The committee members checked the new version and found that the revisions were made to their satisfaction. Thus, they left the final check entirely to the main adviser. The main adviser checked the revised version, together with a plagiarism check, and told the candidate to add a few minor revisions. On August 23, 2023, the final version was submitted, and the main adviser found it satisfactory.

The doctoral dissertation review committee therefore recommends that GRIPS award the degree of Ph.D. in Development Economics to Ms. Shahida PERVIN.