

What did we learn from the BIDS Research Almanac 2023?

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BIDS Research Almanac 2023

18 May 2023

Outline of presentation

Structure of Almanac

- 1 keynote paper + 20 technical papers
- 6 chairs + 12 discussants

Structure of this presentation

- Session-wise summary
- Key takeaway messages
- Policy debate

Keynote paper: Urban Poverty Dynamics during Covid-19

• Takeaways

➔ **Popular claim:** significant deterioration of poverty and other social well-beings during Corona.

- Drawing upon different studies at macro, sectoral, and household level, B. Sen refuted this claim.

→ V-shaped recovery of the SMEs and MSMEs

→ HIES 2022 shows drastic drop in poverty, particularly extreme poverty, despite Corona.

→ Urban survey shows that urban poverty also reduced in substantially in 2022 from 2019.

→ Movers outnumber fallers

→ Drivers/coping strategies: self-employment, transfer, dissaving

Policy debate

➔ What went right and what went wrong during Corona

➔ Need high frequency data for tracking wellbeing

Technical session 1: Rural dynamics and employment

Paper 1: On lives and livelihoods in Haor

- **Takeaways**

- ➔ Remoteness and ecological vulnerability makes Haor region different from other parts of the country
- ➔ Lower education, lower non-farm opportunities ➔ lower number of days works ➔ lower income
- ➔ High dependence of migration
- ➔ The effect of Covid-19 is not as bad as we thought

- **Policy debate**

- ➔ How to improve infrastructure and public service delivery (schooling, health) to the Haor region
- ➔ How to reduce ecological vulnerability

- **Paper 2: On e-procurement of paddy**

- **Takeaways**

- ➔ E-procurement leads to higher Boro and rice income compared to who did win the lottery for participation
- ➔ E-procurement leads to better targeting compared to traditional method
- ➔ Transaction costs (time, transportation costs) are higher for e-procurement

Policy debate

- ➔ How to improve the governance of e-procurement

Paper 3: On female labor force participation

Takeaways

- Women spend more time on household chores and less time on building human capital
- Having a large household is associated with more female labor force participation or home-based employment
- There is no difference in hours spent on domestic chores for unemployed females and females employed in front of or inside home
- This “double burden” may deter females to participate in the labor market

Policy debate

- How to lessen the burden of household chores of female

Technical session 2: Macroeconomic issues and firms

- **Paper 4: On Impacts of the Russia-Ukraine War on Price**

- **Takeaways**

- Simulation results show that welfare reduced by 2 percent due to global price hike caused by Ukraine war

- Agriculture is the mostly affected sector

- It pushed around 3 million into poverty

- Cash transfer was most effective in reducing poverty

- **Policy Debate**

- To what extent this simulation mimics reality?

- To what extent government measures are successful in combating global price hike?

- **Paper 5: On SME financing**

- **Takeaways**

- Provides two models of SME financing:

- Government agency-based subsidized financing involving the public sector, the banking sector, and the SME sector.

- Digital finance with an agency-based approach

- Credit Wholesale (CW) program works better because of its low coverage and low scalability. This also allows banks to apply a joint-liability approach.

- **Policy debate**

- To what extent SMEs should get subsidized credits?

- Role of SME Foundation in SME financing

- **Paper 6: On the impact of Accord-Alliance on firm performance**

- **Takeaways**

- ➔ Some effects on the labor productivity due to Accord-Alliance led compliance initiatives

- ➔ Workers feel safer now (in terms of building safety)

- **Policy Debate**

- ➔ How to continue this safety auditing in the absence of Accord-Alliance?

- ➔ Role of Department of Inspection for Factories and Establishments (DIFE)

Technical session 3: Human development and Covid-19

Paper 7: On Covid-19 and learning outcomes

• Takeaways

- ➔ Significant learning deficiencies among the students at the primary level, more pronounced in Mathematics.
- ➔ Girls performed better in Bangla, boys performed better in Mathematics.
- ➔ School characteristics matter in learning outcomes

• Policy Debate

- ➔ How to improve overall “acute learning deficiency”
- ➔ How to recoup learning loss due to covid-19

Paper 8: On Institutional Development Grants (IDG) and tertiary colleges

• Takeaways

- ➔ IDG led to better infrastructure (number of classrooms, multimedia-equipped rooms, computer lab, science lab)
- ➔ Teachers received training
- ➔ Extra time given to students is lower compared to non-IDG colleges!
- ➔ Classes are held more regularly in IDG colleges
- ➔ Students are investing more time in education in IDG colleges

Policy Debate

- ➔ So what? What is the labor market outcome due to intervention?
- ➔ Effectiveness of College Education Development Project (CEDP) and Institutional Development Grants (IDG)

Paper 9: On remote learning (RLS) in pandemic

- **Takeaways**

- ➔ TV is a better platform in RLS, but low actual access
- ➔ Compared to in-person classes, learning was substantially low in RLS
- ➔ Preferred method is blended learning

- **Policy debate**

- ➔ How to recoup learning loss due to Covid-19?
- ➔ Effectiveness of blended method in normal time

Technical session 4: Skill and labor market outcomes

Paper 10: On skill mismatch and labor productivity (LE and Electronics)

- **Takeaways**

- ➔ Vertical mismatch (under-education) is severe
- ➔ Horizontal mismatch (field of education) is low
- ➔ under-education is associated with lower labor productivity of firms
- ➔ Employers punish both vertical and horizontal mismatch

- **Policy debate**

- ➔ Why firms are not getting rightly matched educated workers?
- ➔ To what extent the country is ready to embrace 4IR with under-educated workers?

Papers 11, 12, and 13: On skill mismatch on Leather and footwear, agro and RMG

- **Takeaways**

- ➔ Skill gaps are more severe than skill shortage in these 3 sectors!
- ➔ In some occupation categories, female are more proficient than male(RMG)
- ➔ Enterprises acknowledge that training is required but mostly unwilling to spend on training of the workers.

- **Policy debate**

- ➔ Effectiveness of the donor funded skill development projects (bypassing existing institutions for training)

Technical session 5: Poverty and health equity

Paper 14: On Swapno: An evaluation of a graduation model

- **Takeaway**

- ➔ The beneficiary group spends more on food and non-food, have higher level of assets, enjoy better food security than the non-beneficiary.
- ➔ The beneficiary group is more optimistic about their and their children's future.
- ➔ Women are more empowered (mobility, bank accounts, etc.)

- **Policy debate**

- ➔ Replication of Swapno in urban areas
- ➔ In search for a good graduation model (sustainability of higher income in the absence of the program)

Paper 15: On disease burden: Cancer

Takeaways

- ➔ The average out of pocket cost of cancer BDT 331,243 for 1st stage and BDT 699,865 for 4th stage
- ➔ 90% household faced distress financing due to cancers in Bangladesh

Policy debate

- ➔ Government support for the poor for cancer treatment
- ➔ Health insurance
- ➔ Cancer control policy

Paper 16: On pavement dwellers of Dhaka city

Takeaways

- ➔ According to BBS, the size of floating population in Dhaka SMA has decreased substantially in the last two decades.
- ➔ 90 per cent of pavement dwellers had daily work.
- ➔ 50% reported economic reasons for migration.

Policy Debate

- ➔ How to reduce floating population to Nil

Technical session 6: Emerging development issues

Paper 17: On migrant resettlement index

Takeaways

➔ It tested the effect of a migrant resettlement index on migrant allocation decisions and found it to hold promise in influencing decisions.

Policy debate

➔ How can we use such index in real life setting

Paper 18: On mobile phone use

- **Takeaways**

- ➔ What a technological device can do and what it signifies depend less on the technology itself, rather depends more on users, social setting, and modes in which the device is at play.

- **Policy debate**

- ➔ How to promote productive (!) use of mobile phone

- ➔ How to make technology more user-friendly

Paper 19: On Composite Skill Development Program

Takeaways

- ➔ A program of Department of Youth Development: Training plus: mentorship, credit
- ➔ Still there is a high training demand
- ➔ Training was found to be effective

Policy debate

- ➔ Only training (donor's model) vs. training plus

Paper 20: On time and cost overrun of RHD projects

- **Takeaways**

- ➔ 80 percent of the RHD projects experienced time escalation and 56 percent cost escalation

- Average cost escalation is about 26 percent

- Average time escalation is about 95 percent

- ➔ Delay in land acquisition is the single most factor responsible for time and cost escalation

- **Policy debate**

- ➔ How to reduce delay in land acquisition

- ➔ How to improve overall efficiency of project management

THANK YOU!