Report on **Bachelor Thesis**

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

Student:	**Magdalena Anne Zucek**
Advisor:	**PhDr. Jana Votápková, Ph.D.**
Title of the thesis:	**Do current childcare costs cause women to leave their jobs? A workforce retention regression analysis.**

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

Please provide a short summary of the thesis, your assessment of each of the four key categories, and an overall evaluation and suggested questions for the discussion. The minimum length of the report is 300 words.

Short summary
The thesis estimates the effect of childcare costs on employment of mothers in the USA using the IMPUS database in the years 2008, 2013 and 2018. It considers other variables beyond costs as well. The thesis finds only a marginal effect of childcare costs on maternal employment controlling for other factors. The author states that if there are more children under 5 in the family, the mother´s probability of employment significantly decreases „because of a greater care demands of young children, which may limit the mother´s ability to work". No economies of scale is discussed nor is the substitution and income effect. There are unfortunatelly more places in the thesis that miss proper discussion supported by empirical research.

Contribution

The thesis aims to contribute to empirical literature on women labor force participation and if grasped in a more complex way, it also has a potential to have political political implications. However, in my view, the thesis is biased one way (see further) neglecting other important factors, not even theoretically mentioning them.
Also the results miss a deeper and comprehensive discussion. For instance, the fact that in 2018 increase of average childcare costs results in increased probability of labor force participation and more hours worked might suggest that wages have increased disproportionatelly more than childcare costs (again the discussion of substitution and income effects and reservation wage). Also the fact that average childcare costs have increased does not say anything about whether the parents actually use it. Given the economic upturn, they may have searched for other childcare options, i.e. substitute from official childcare to unofficial/cheaper means. I admit that this phenomenon is not observable in the data, but at least a theoretical discussion would be appreciated.
The discussion section repeats nearly literaly what has been said in the results.
Given the lack of the theoretical discussion, the contribution of the thesis is limited.

Methods

The thesis employs logit and tobit models to estimate
Variables number of children under 5 or youngest child age cannot be considered continuous, it is rather a discrete variable.
Marital status – if only wedlock partnerships are considered, the results are most likely to be biased as nowadays many partnerships are non-married, rather just cohabitating.
I miss assumptions on the effects of variables supported by available literature.
Also, assumptions of the models are not discussed.
The results do not report the quality of the model fit, although in the methodology section, it is described theoretically.

The interpretation of the tobit model is wrong. On page 20, the author says that „each additional dolar in childcare price decreases the number of hours worked by approximately 2.3 hours in 2008

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(coefficient is -0.023). Why are you multiplying the coefficient by 100%? Can we really believe that a dollar price increase has such a strong effect decreasing wage supply by over 2 hours? It repeats again on page 21 in the full tobit model.

Literature

The literature review cites very few sources. It is not very specific, it seems rather biased, supporting the author´s thoughts that women stay at home with children just because of childcare costs. A discussion of reservation wage, opportunity costs, substitution and income effects, i.e. family policy with respect to economic phenomena is completely missing. In the literature review, contradicting views and their support with the literature should have been taken into account. For example, the research on the effect of partner´s wage is neglected.
Having read it, the reader gets the feeling that the author is just filling up space.

The thesis uses a wrong citation format:
- instead of (Conroy, 2019), it uses (Conroy 2019)
- p.5 „… which is evident in studies such as one made in 2006 where it was apparent..”

Manuscript form

The thesis largely missess academic style. At many points of the text, the reader senses that the author is trying to fill up the space. An academic discussion presenting different views that are supported by the literature are missing.
 The thesis uses a large number of fillers.
Abstract missess specific conclusions and points that would attract the reader to read the whole work.

Minor issues that point to inapropriate academic style:
Abstract: „...employment of mothers of young children across various years“
Fillers and expressions inappropriate in academic style, such as „going right to work…“ on p7
P.8 „Therefore the following research does just that.” The reader has no idea what the author means. There is no need not to be specific.

Overall evaluation and suggested questions for the discussion during the defense
The thesis is a decent attempt for a scholarly work, although it is a mere ecometric exercise. The thesis misses to target its potential neglecting economic discussions of the observed phenomena. The thesis missess academic style at many points that is caused by the fact that the author did not cooperate with the supervisor very much, including left notes in the titles of the introduction and chapter 5. I saw Magdalena´s first draft of literature review in November and then her progress report submitted for the thesis seminar in mid March. No other draft were submitted to the supervisor, nor did Magdalena respond to my emails asking her for additional progress. At the end of July, she submitted her thesis without letting me know.

Despite the points raised, the quality of the work is quite decent for an undergraduate thesis at the Institute of Economic Studies, Faculty of Social Sciences, Charles University and I recommend it for defense and suggest grade D.
Given the decent quality of the defended work in comparision with a very under-average quality of her draft provided in mid March combined with her non-communication, I suspect that the work may not be of her own, although the results of the Turnitin analysis do not indicate significant text similarity with other available sources. I suggest that the comitte pays

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careful attention to it a poses a question about the reasons for her non-communication during the process of writing her thesis.

Minor issues and typs:
Title of chapters, e.g. Introduction 2-3 pages long and chaper 5 Results and Discussion: 10-12 pages long.
p.5 Some abbreviations are missing in the list of abbreviations, such as ECEC
p.10 „…at as…"
p.18. „…family income increasing the probablility of maternal employment, with each additional dollar in family income increasing the probability of maternal employment by 0.000 % across all years". Is 0.0 really an increase…?

Questions for discussion:
1. Would the results change if the dependent variable „employed" excluded the unemployed? I would assume that primarily low income mothers would register as unemployed (the more so if they are entitled to some beneits), thus biasing the results. Provide supportive evidence for the defense. Discuss.
2. How did you verify that the survey answers employed and unemployed were robust? I miss further explanation on p 11. I assume that including the unemployed into the variable that denotes whether the woman works may cause bias.
3. Similarly to question 2., of course that recoding introduces bias into the data compared to the original model, but I do not understand why and how you compared the original values with the newly created values on p 11 when saying that „The log-likelihood… . Also, in terms of the Akaike information criteria…" Discuss.

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

CATEGORY		POINTS
Contribution	*(max. 30 points)*	20
Methods	*(max. 30 points)*	20
Literature	*(max. 20 points)*	10
Manuscript Form	*(max. 20 points)*	15
TOTAL POINTS	*(max. 100 points)*	**65**
GRADE	**(A – B – C – D – E – F)**	**D**

NAME OF THE REFEREE: Jana Votápková

DATE OF EVALUATION: August 27, 2024   **Digitally signed (August 27, 2024)**
Jana Votápková

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Referee Signature

EXPLANATION OF CATEGORIES AND SCALE:

CONTRIBUTION: *The author presents original ideas on the topic demonstrating critical thinking and ability to draw conclusions based on the knowledge of relevant theory and empirics. There is a distinct value added of the thesis.*

METHODS: *The tools used are relevant to the research question being investigated, and adequate to the author's level of studies. The thesis topic is comprehensively analyzed.*

LITERATURE REVIEW: *The thesis demonstrates author's full understanding and command of recent literature. The author quotes relevant literature in a proper way.*

MANUSCRIPT FORM: *The thesis is well structured. The student uses appropriate language and style, including academic format for graphs and tables. The text effectively refers to graphs and tables and disposes with a complete bibliography.*

Overall grading:

TOTAL	GRADE
91 – 100	A
81 - 90	B
71 - 80	C
61 – 70	D
51 – 60	E
0 – 50	F