

Comment on Job Ladders and Labor Productivity Dynamics

E. Albagli, B. Garcia, S. Guarda, A. Naudon, M. Tapia

By: Alonso Alfaro Ureña - Banco Central de Costa Rica

CEMLA: XXVI Meeting of the Central Bank Researchers Network

Contributions

- ▶ Latin America at the front stage of research using micro data!
- ▶ Main contribution: scarring effects of recessions.
- ▶ Interesting: different types of shocks. Ideal to think about different types of crisis, with different policy implications. In future versions of papers: helpful to emphasize.
- ▶ TFP or job destruction. Different implications for distributional purposes.
- ▶ Persistence of high quality matches moves in opposite directions in each case, length and magnitude of the output shock.

Contributions

Figure 8: Response to a TFP shock

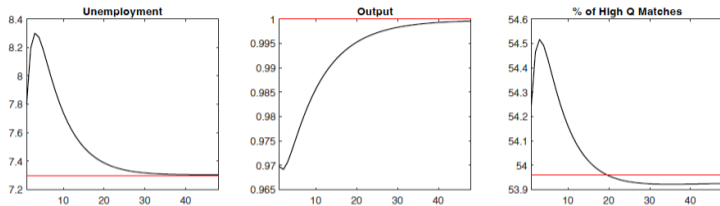
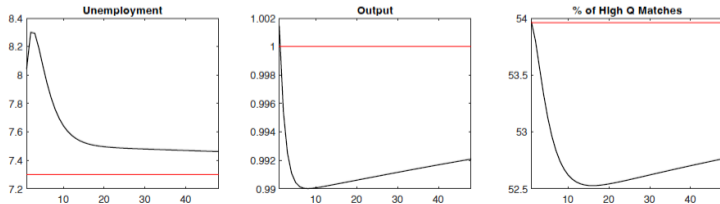


Figure 9: Response to a job destruction shock

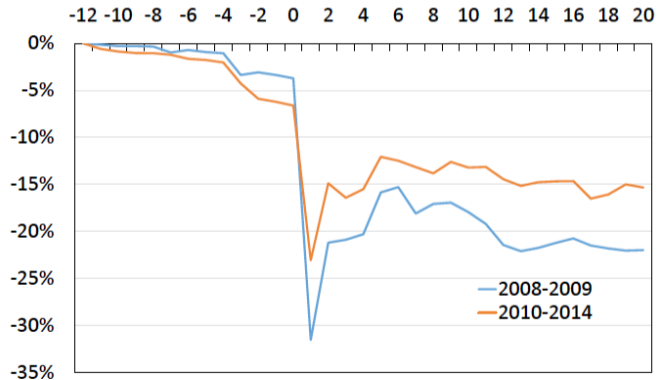


Questions and suggestions

- ▶ Choice of the main job: why the longest tenure? Example: a teaching job can be longest tenure, but the worker can transition between two main jobs.
- ▶ Wishful thinking: some information on the occupation of the worker that can be traced to standardized classifications?
- ▶ It was not clear to me what is the control group in Figure 3. Are you using the characteristics of the firms, such as sector, region, export status, etc? Can some classification be constructed based on the structure of the firm between low and high paying jobs? Should we interpret it as an event study motivating evidence?
- ▶ It seems that there are negative pre-trends in the wage difference. Can you provide any additional insights?

Questions and suggestions

Figure 3: Wage difference of employed workers to control group before and after a sudden firm closure, by quarter:



Source: Albagli et al. (2018) with data from the *Servicio de Impuestos Internos*. Wage difference is normalized to be 0% at 12 quarters prior to closure.