

1. The referee wrote "the methodological aspects of the paper are extremely weak. The epistemological position and approach to articulating the problem and methods (how data was gathered and analysed) is necessary. It is entirely unclear how the author reached to"

**Authors' reply**

- a. We agree with the referee that further improvements are required.
- b. Three or four paragraphs will be added to Section 1 to explain why the methodology is most appropriate to the task.
- c. Data section will be added to explain how the data was gathered and analysed.

The referee wrote "the conclusion and policy implications or what reasoning has gone into them! What underlying assumptions and values are used to form these conclusions?"

**Authors' reply**

- a. Two or three paragraphs will be added to section 4 to explain what underlying assumptions and values are used
- b. In addition, Blundell and Bond (1998) General Method of Moments (GMM) estimator will be used and robustness checks will be added to section 3.