In a recent vote of the faculty, Rachel Heath was promoted to Associate Professor, with tenure, effective as of Fall Quarter 2018. Heath's recent work and publications were a leading factor in her promotion, especially her work focusing on the Bangladeshi economy and its relationship with the ready-made garment industry.

One her most prominent studies, which she coauthored with Ahmed Mushfiq Mobarak, of Yale University's School of Management focuses on the growing ready-made garment industry in Bangladesh. Since independence in 1971, the Bangladeshi economy has been on the rise, largely due to the growing ready-made garment industry (RMG). This industry has been a major contributor to the socio-economic growth of the people, and has caused an increase in education and literacy, especially for women and girls. By created employment for around 4.4 million people, approximately 70% of whom are women, parents are more able to give their children access to education.

The study shows the correlation between the RMG industry and the increase in education, especially highlighting the steep rise in opportunities for young girls. The industry created job opportunities for around 3 million women, many of who came from rural areas and had little to no education. These women are able to earn an income and contribute to their family's socio-economic status. These benefits are then passed along to their children, especially girls who were not traditionally educated at the rate of boys, in the form of education access. According to Heath's study, 27% more girls are attending school than prior to the growth of the RMG industry in areas within commuting distance to garment factories.

To read the study by Heath and Mobarak, please click here. To read the news article released by the Dhaka Tribune which summarizes the study, please click here.

Heath's most recent publication also focuses on employment in Bangladesh. The article was published in the Journal of Political Economy, which is widely considered to be a top five journal for economics publications. In this study, Heath examines firms favoring a referral process in which current employees recommend new employees to hire. Heath argues that firms choose this route in order to mitigate a moral hazard problem, and has developed a model in which referrals relax a limited liability constraint by allowing the firm to punish the referral provider if the recipient does not perform well. She uses data and examples from the Bangladeshi Garment Factories to test this model. The full study can be viewed here.