

# David Zentler-Munro

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## Personal

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Born on October 22, 1984, United Kingdom Citizen.

## Research Fields

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Wage, Income and Wealth Inequality, Labor Economics, Search and Macro.

## Education

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Ph.D. Economics, University College London, 2014-2019  
*Thesis: "Essays on frictional labour markets in the presence of capital skill complementarity"*  
*Primary supervisor: Vincent Sterk, Secondary supervisor: Fabien Postel-Vinay*

MRes. Economics, University College London, 2013-2014.

MS.c. Economics, Toulouse School of Economics, 2007-2008.

BA. Economics, University of Cambridge, 2002-2005.

## Employment

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2022-present	Assistant Professor (Lecturer), Department of Economics, University of Essex;
2021-2022	Post-Doctoral Researcher, Department of Economics, University of Essex; University College London;
2019-2021	Post-Doctoral Researcher, Centre for Research and Analysis of Migration, University College London;
2008-2013	Senior Economic Adviser: Tax, Labour Market and Welfare Policy, UK Treasury;

## References

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Carlos Carrillo-Tudela  
Department of Economics  
University of Essex  
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Fabien Postel-Vinay  
Department of Economics  
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Vincent Sterk  
Department of Economics  
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## Publications

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### **Seeing Beyond the Trees: Using Machine Learning to Estimate the Impact of Minimum Wages on Labor Market Outcomes**

*With Doruk Cengiz, Arindrajit Dube, and Attila Lindner. Journal of Labor Economics, April 2022*

We assess the effect of the minimum wage on labor market outcomes. First, we apply modern machine learning tools to predict who is affected by the policy. Second, we implement an event study using 172 prominent minimum wage increases between 1979 and 2019. We find a clear increase in wages of affected workers and no change in employment. Furthermore, minimum wage increases have no effect on the unemployment rate, labor force participation, or labor market transitions. Overall, these findings provide little evidence of changing search effort in response to a minimum wage increase.

### **Search and Reallocation in the Covid-19 Pandemic: Evidence from the UK**

*Labour Economics*

*With Carlos Carrillo-Tudela, Alex Clymo, Camila Comunello, Annette Jaeckle, and Ludo Visschers.*

The impact of the pandemic on the UK labour market has been extremely heterogeneous across occupations and industries. Using novel data on job search, we document how individuals adjust their job search in response to changing employment patterns across occupations and industries in the UK. We observe that workers changed their search direction in favour of expanding occupations and industries as the pandemic developed. However, non-employed workers are more attached to their previous occupations and workers with low education are more likely to target declining occupations. We also observe workers from declining occupations making fewer transitions to expanding occupations than those who start in expanding occupations, despite targeting these jobs relatively frequently. This suggests those at the margins of the labour market may be least able to escape occupations that declined during the pandemic.

## Working Papers

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### **(Job Market Paper) Rising Wage Inequality: Technological Change and Search Frictions**

*Reject and Resubmit, Journal of European Economic Association.*

This paper examines whether labor market frictions can explain the level and growth of the college wage premium in the US. I develop a novel model where both capital skill complementarity and differences in the search frictions faced by college and non-college workers drive the college wage premium. The presence of search frictions, and hence monopsonistic power, provides a range of explanations for rising college premiums not present in competitive models i.e. changes to relative job offer rates, to firm heterogeneity or to bargaining power between education groups. College workers enjoy substantially lower job destruction rates and higher job offer rates than non-college workers, which generates the presence of a significant, and relatively stable, college wage premium in my model. I also find that bargaining strength, as captured by unionization rates, starts off at similar levels for college and non-college workers but declines more severely for non-college workers. This trend explains a substantial portion of the growth in the college wage premium in my baseline model.

### **Minimum Wages in the UK: Searching for Nonlinearities**

This paper examines the impact of minimum wages when search frictions are present and firms can substitute away from low skilled workers to both higher skilled workers and to capital. This represents a

contribution to the search literature, which typically assumes labour is the only input of production and perfect substitution between labour inputs. I examine whether the model I develop features significant nonlinearities in the impact of the minimum wage on unemployment. I find that the theoretical contribution of this paper, i.e. allowing for search frictions and imperfect substitutability of factor inputs, is quantitatively significant. Specifically, the nonlinear unemployment response in my model is much less pronounced if I use the typical assumptions of the search literature, which imply a considerably more linear response of unemployment to the minimum wage.

### Minimum Wages, Risk Aversion and Asset Accumulation

I find that the workers' ability to self-insure via asset accumulation has an important role in determining the response of consumption inequality to minimum wage increases. Workers increase their savings to self-insure against the increased unemployment risk of higher minimum wage levels. This means that in my baseline model minimum wages achieve reductions in consumption inequality even when set at relatively high levels that cause unemployment to rise. In a model without savings, increasing the minimum wage level to such levels would increase consumption inequality because increased unemployment risk has a more significant pass-through to consumption inequality.

## Teaching Experience

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2022-present	MSc Econ	Data Science for Economists (Machine Learning);
2021-present	BSc Econ	Introduction to Quantitative Economics;
2016-17	BSc Econ	Industrial Relations;
2015-16	BSc Econ	Introduction to Economics;
2014-15	BSc Econ	International Trade;

## Refereeing Services

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*Journal of Human Resources, Labour Economics, Oxford Bulletin of Economics and Statistics*

## Conference & Seminar Presentations

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2022	IFS, University of Oxford, Winter Econometric Meetings (Berlin)
2021	Essex, Warwick, Waseda (Tokyo)
2020	UCL, Applied Micro Reading Group;
2019	Centre for Research and Analysis of Migration, Labour Workshop (Milan);
2018	Toulouse School of Economics, ENTER Jamboree; UCL Structural Estimation Workshop; UCL PhD Workshop; UCL Centre for Research and Analysis of Migration Brown Bag
2017	Stockholm School of Economics, ENTER Exchange; UCL PhD Workshop
2016	ZEW, Mannheim, Structural Labour Workshop; UCL PhD Workshop

## Awards, Grants and Scholarships

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2014-2017	UCL, Ricardo Scholarship;
2014	UCL, Teaching Excellence Award;

## Skills

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Computer:	R, Julia, Matlab, Stata, L <sup>A</sup> T <sub>E</sub> X, Microsoft Office;
Languages:	English (native), French (basic);