

# 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  
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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.

## Working Papers

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

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

The impact of the Covid-19 pandemic on the UK labour market has been extremely heterogeneous across occupation and industrial sectors. Using novel data on job search, we document how individuals adjust their job search behaviour 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. This suggests job searchers do respond to occupation-wide and industry-wide conditions in addition to idiosyncratic career concerns. However, non-employed workers and those with low education levels are more attached to their previous occupations and more likely to target declining ones. We also see workers from declining occupations making fewer transitions to expanding occupations than those who start in such 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.

### (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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2016 BSc Econ Industrial Relations;  
 2015 BSc Econ Introduction to Economics;  
 2014 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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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);