

Daniel J. Sonnenstuhl

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Office Contact Information

The University of Chicago, Harris School of Public Policy
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Chicago, IL 60637

Education

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| University of Chicago , PhD. Public Policy | 2020-2026 (expected) |
| University College London , MSc. Economics, <i>Distinction</i> | 2017-2018 |
| University College London , BA. Philosophy and Economics, <i>First Class Honors</i> | 2014-2017 |

References

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| Professor James Robinson (Chair) University of Chicago Harris School of Public Policy jamesrobinson@uchicago.edu | Professor Gregory Lane University of Chicago Harris School of Public Policy laneg@uchicago.edu | Professor Eduardo Montero University of Chicago Harris School of Public Policy emontero@uchicago.edu |
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Research Fields

Primary: Development Economics, Political Economy
Secondary: Labor Economics, Behavioral Economics

Research Experience

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| Pre-Doctoral Fellow, The University of Chicago, Booth School of Business | Feb 2020-Sept 2020 |
| Pre-Doctoral Fellow, The University of British Columbia, Vancouver School of Economics | Oct 2018-Jan 2020 |

Job Market Paper

Working Without Wages: The Consequences of Widespread Pay Delays (with Dauda Musa)

In this paper, we study a rarely documented firm practice in low-income countries that affects millions of workers and has far-reaching implications for labor markets: the withholding of employees' wages. Using original survey data from Lagos, Nigeria, we find that 30 percent of workers across firms of all sizes report delayed or unpaid salaries. We develop a model showing theoretically that wage withholding can be nearly costless for firms and even increase employee effort when contractual enforcement is weak. To examine how wage withholding affects workers' effort and labor-market participation, we implement a field experiment. We find that delaying wages increases employees' initial effort, without affecting absenteeism or total hours worked. Signaling salary reliability significantly increases job take-up by about 25 percent, an effect driven predominantly by individuals who had initially expressed no interest in wage employment. However, these workers are no more productive than those who accepted jobs without a salary guarantee, suggesting that firms face minimal costs from engaging in this practice. In contrast, workers place high value on reliable pay, yet weak enforcement and limited worker alternatives create a moral hazard for firms to engage in wage withholding.

Publications

A Denial a Day Keeps the Doctor Away (with Abe Dunn, Joshua D. Gottlieb, Adam Shapiro and Pietro Tebaldi) *The Quarterly Journal of Economics*, 139(1): 187–233, February 2024.

Who bears the consequences of administrative problems in health care? We use data on repeated interactions between a large sample of U.S. physicians and many different insurers to document the complexity of health care billing, and estimate its economic costs for doctors and consequences for patients. Observing the back-and-forth sequences of claim denials and resubmissions for past visits, we can estimate physicians' costs of haggling with insurers to collect payments. Combining these costs with the revenue never collected, we estimate that physicians lose 18% of Medicaid revenue to billing problems, compared with 4.7% for Medicare and 2.4% for commercial insurers. Identifying off of physician movers and practices that span state boundaries, we find that physicians respond to billing problems by refusing to accept Medicaid patients in states with more severe billing hurdles. These hurdles are quantitatively just as important as payment rates for explaining variation in physicians' willingness to treat Medicaid patients. We conclude that administrative frictions have first-order costs for doctors, patients, and equality of access to health care. We quantify the potential economic gains—in terms of reduced public spending or increased access to physicians—if these frictions could be reduced and find them to be sizable.

Working Papers

The Causes and Implications of the Pentecostal Movement: Evidence from Nigeria

The global spread of Pentecostalism represents an unprecedented instance of religious dynamism. This paper estimates the causal effects of joining a modern Pentecostal church in Nigeria on individuals' behavior, perceptions, social identity, and well-being. I collect original data and leverage a partnership with one of Nigeria's largest Pentecostal denominations, Living Faith Church. This partnership allows me to exploit quasi-random variation in the denomination's proselytization activities. Constructing an appropriate control group, I instrument for church membership using exposure to the proselytization team. Joining the church increases religious participation but reduces individuals' perceived locus of control, with no detectable effects on income or mental health. Finally, combining survey data with administrative records on service attendance after proselytization, I exploit quasi-random variation in sermon topics to identify the messages that attract new members. Sermons emphasizing divine intervention and health are particularly effective in drawing individuals to the church.

Works in Progress

The Economics of Wage Withholding: Evidence from Nigerian Firms (with Dauda Musa)

Megachurches and Religious Messaging in Nigeria (with Olaitan Ogunnote)

Pentecostalism and Social Cooperation: The Big Gods Hypothesis in Action (with Olaitan Ogunnote)

Research Grants and Awards

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| Becker Friedman Institute, Data Acquisition Grant (\$18,100) | 2025 |
| Development Economics Center at the University of Chicago, Research Grant (\$30,000) | 2025 |
| The Pearson Institute, Small Research Grant, with Dauda Musa (\$5,000) | 2025 |
| The Weiss Fund, Research Grant (\$50,000) | 2024 |
| Structural Transformation and Economic Growth (STEG), PhD Student Research Grant (£15,000) | 2024 |
| Development Economics Center at the University of Chicago, Research Grant (\$25,000) | 2024 |
| Development Economics Center at the University of Chicago, Pilot Grant (\$10,000) | 2024 |
| The Weiss Fund, Pilot Grant (\$11,500) | 2024 |
| The Weiss Fund, Pilot Grant, with Olaitan Ogunnote (\$15,000) | 2024 |
| The Center for Effective Global Action (CEGA), Seed Grant, with Olaitan Ogunnote (\$10,639) | 2024 |
| PEDL, Seed Grant, with Nofiu Adebisi and George Agyeah (£5,000) | 2023 |
| The Pearson Institute, Small Research Grant (\$10,000) | 2023 |
| Becker Friedman Institute Political Economics Initiative, Small Research Grant (\$5,000) | 2023 |
| Development Economics Center at the University of Chicago, Pilot Grant (\$10,000) | 2023 |

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| Development Economics Center at the University of Chicago, Exploratory Grant (\$5,000) | 2023 |
| The Weiss Fund, Exploratory Grant (\$3,500) | 2023 |
| Development Economics Center at the University of Chicago, Exploratory Grant (\$5,000) | 2022 |

Fellowships and Awards

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| Harris Graduate Student Fellowship | 2020-2026 |
| Erste Bank Group Scholarship | 2015 |

Teaching Experience

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| Senior Thesis: Public Policy (undergraduate) | Preceptor | <i>Fall 2025- Winter 2026</i> |
| Senior Thesis: Public Policy (undergraduate) | Preceptor | <i>Fall 2024- Spring 2025</i> |
| Economics, Politics and African Societies (PhD) | TA for Prof. James Robinson | <i>Spring 2024</i> |
| Power and Development (master) | TA for Prof. Raúl Sánchez de la Sierra | <i>Spring 2024</i> |
| Senior Thesis: Public Policy (undergraduate) | Preceptor | <i>Fall 2023- Winter 2024</i> |
| Principles of Microeconomics II (master) | TA for Profs. Sonin & Kumar | <i>Winter 2023</i> |
| Statistics for Data Analysis I (master) | TA for Profs. Frank & Moskowitz | <i>Fall 2022</i> |
| Senior Thesis: Public Policy (undergraduate) | Preceptor | <i>Fall 2022- Spring 2023</i> |
| Principles of Microeconomics II (master) | TA for Profs. Kumar & Lo | <i>Winter 2022</i> |
| Statistics for Data Analysis I (master) | TA for Profs. Frank & Moskowitz | <i>Fall 2021</i> |
| Senior Thesis: Public Policy (undergraduate) | Preceptor | <i>Fall 2021- Spring 2022</i> |

Seminars and Conferences

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| Seminars | 2025 | Leibniz Institute for Economic Research (Berlin), STEG Early Career Workshop |
| | 2024 | Covenant University |
| Conferences | 2025 | CSAE, DevPEC, EEA Meeting, Advances with Field Experiments Conference |
| | 2024 | ASREC, SIOE, RES PhD Conference |

Other

Citizenship: German
Programming Skills: Stata, Julia, Python, R
Languages: German (native), English (full professional proficiency)