
CONTACT INFORMATION	Department of Economics Columbia University 420 West 118th Street New York, NY 10027	Phone: (267) 253-0386 Email: lorenzo.lagos@columbia.edu Website: econ.columbia.edu/e/lorenzo-lagos Citizenships: Mexico and USA
PLACEMENT	Chairs: Donald Davis drd28@columbia.edu and Martín Uribe mu2166@columbia.edu Assistant: Amy Devine aed2152@columbia.edu , (212) 856-6881	
EDUCATION	Ph.D. in Economics, Columbia University (expected) M.Phil. in Economics, Columbia University M.A. in Economics, Columbia University B.A. in Philosophy, Politics, and Economics (PPE), University of Pennsylvania; <i>summa cum laude</i>	2020 2017 2016 2011
HONORS AND AWARDS	Dissertation Fellowship, Columbia University CORE-Teagle Fellow, CORE USA CDEP Student Research Grant, Center for Development Economics and Policy Wueller Pre-Dissertation Award (runner-up), Columbia University Lead Teaching Fellow in Economics, Columbia Center for Teaching and Learning Wueller Teaching Award, Columbia University Dean's Fellow, Columbia University Ford Foundation Predoctoral Fellow, National Academy of Sciences Provost Diversity Fellow, Columbia University Goldstone Prize for Best Senior Honors Thesis , University of Pennsylvania Phi Beta Kappa	2019-2020 2018-2019 2018, 2017 2017-2018 2017-2018 2016-2017 2014-2019 2014-2018 2014-2015 2010-2011 2010-2011
FIELDS	Labor Economics, Development Economics, and Public Economics	
JOB MARKET PAPER	<p>Labor Market Institutions and the Structure of Work Compensation: The Impact of Collective Bargaining on Wages and Amenities in Brazil [Full draft coming soon]</p> <p><i>Abstract:</i> Unions shape the compensation structure of millions of workers worldwide by negotiating collective bargaining agreements (CBAs) that set conditions for wages and broadly defined amenities during some time horizon. Merging the full registry of CBAs from Brazil to matched employer-employee data, this paper estimates the effects of perpetuating negotiated conditions through automatic extensions—and the resulting increase in the relative duration of amenities to wages due to preexisting nominal wage rigidity—on the structure of work compensation and workforce composition. To compare wages and amenities, I construct a wage-equivalent measure of amenity value based on the predictive power that text in a CBA has on an establishment's ability to poach workers from other employers conditional on wages. Causal effects are estimated using a matched difference-in-difference design comparing establishments with extended CBAs, before and after the introduction of automatic extensions, to workplaces not negotiating with unions at the firm level. Consistent with a simple model where unions trade-off bargaining over wages and amenities, I find that strong unions give up some wage gains in favor of substantial amenity improvements, leading to a higher aggregate value of work compensation equivalent to a 1.4-3.8% wage increase. Hence, rent-sharing can account for behaviors often attributed to hedonic balancing. Interestingly, this change in the structure of work compensation leads to an influx of low-skill workers into affected establishments. Extending the model to allow for two-sided selection, the empirical evidence suggests that less skilled individuals adversely select into these establishments due to compressed wage and amenity profiles.</p>	

WORKING PAPERS

Assortative Matching or Exclusionary Hiring? The Impact of Firm Policies on Racial Wage Differences in Brazil (joint with François Gerard, Edson Severnini, and David Card) [NBER Working Paper # 25176](#); *R&R, American Economic Review*

Abstract: A growing body of research shows that firms' employment and wage-setting policies contribute to wage inequality and pay disparities between groups. We measure the effects of these policies on racial pay differences in Brazil. We find that nonwhites are less likely to work at establishments that pay more to all race groups, a pattern that explains about 20% of the white-nonwhite wage gap for both genders. The pay premiums offered by different employers are also compressed for nonwhites relative to whites, contributing another 5% of the overall gap. We then ask how much of the under-representation of nonwhites at higher-paying workplaces is due to the selective skill mix at these establishments. Using a counterfactual based on the observed skill distribution at each establishment and the nonwhite shares in different skill groups in the local labor market, we conclude that assortative matching accounts for about two-thirds of the under-representation gap for both men and women. The remainder reflects an unexplained preference for white workers at higher-paying establishments. The wage losses associated with unexplained sorting and differential wage setting are largest for nonwhites with the highest levels of general skills, suggesting that the allocative costs of race-based preferences may be relatively large in Brazil.

Violence and Credit Use: Evidence from MSEs in Mexico's Drug War [Draft approved by *Comisión Nacional Bancaria y de Valores (CNBV)*]

Abstract: This project studies how micro and small enterprises (MSEs) use credit when facing violence. Leveraging administrative data on working capital credit lines issued to MSEs in Mexico, I exploit geographic variation in homicide rates as well as exogenous kingpin captures to identify the causal effects of violence on credit use. I find that firms significantly increase the amounts drawn from their credit lines after experiencing violence shocks. This result could be motivated by rising short-term liquidity needs (*distress story*) or increasing risk of holding cash (*substitution story*). Rising default probabilities indicate signs of distress, although heterogeneity analyses reveal cash for credit substitution among non-revolving borrowers. I also find evidence that rising liquidity needs among distressed MSEs are likely driven by decreased economic activity rather than theft or extortion. As such, this paper highlights the important role that financial products play in terms of helping MSEs absorb violence shocks as well as providing convenient alternatives to cash holdings under insecure environments.

WORK IN PROGRESS

Labor Market Effects of Employer-Provided Health Insurance in Brazil (joint with Sergio Firpo and Carolina Ribeiro)

The Minimum Wage and Racial Wage Differentials in Brazil (joint with Ellora Derenoncourt, François Gerard, and Claire Montialoux)

Workers on Probation: Evidence from Job Security Legislation in Brazil

RESEARCH AND

WORK EXPERIENCE

Research Assistant for François Gerard, Columbia University	2015-2016
Research Assistant for Supreet Kaur and Massimo Morelli, Columbia University	2013-2014
Intern for Shannon K. O'Neil, Council on Foreign Relations (CFR)	2013
Analyst, First Manhattan Consulting Group (FMCG)	2011-2012
Intern, Mexican Federal Competition Commission (Cofece)	2010

TEACHING

EXPERIENCE

<u>Instructor</u>	
Labor Economics (Undergraduate)	Summer 2018
<u>Teaching Assistant</u>	
Econometrics I (Masters) with Steven Olley [<i>Wueller Teaching Award</i>]	Fall 2016
Public Economics (Undergraduate) with François Gerard	Spring 2017
Economics of Race (Undergraduate) with Brendan O'Flaherty	Fall 2019
Principles of Economics (Undergraduate) with Sunil Gulati	Spring 2019

OTHER ACTIVITIES

Referee service: *Journal of the European Economic Association*

Community service: Tutor at South Bronx United (2015) and West Philly Tutoring Project (2010)

Leadership: President of Mexican Student Association at the University of Pennsylvania, Head of Organizing Committee for *Convergencias* Conference (2009-2011)

REFERENCES

Prof. Suresh Naidu (Sponsor)

Department of Economics and SIPA

Columbia University

(212) 854-0027

sn2430@columbia.edu

Prof. François Gerard

School of Economics and Finance

Queen Mary University in London

+44 20 7882-6816

f.gerard@qmul.ac.uk

Prof. W. Bentley MacLeod

Department of Economics and SIPA

Columbia University

(310) 571-5083

bentley.macleod@columbia.edu

Prof. Eric Verhoogen

Department of Economics and SIPA

Columbia University

(212) 854-4428

eric.verhoogen@columbia.edu