

# Mansueto Institute for Urban Innovation

## Lunch Colloquium Series



### Who Paid Los Angeles' Minimum Wage? A Side-by-Side Minimum Wage Experiment in Los Angeles County

#### Christopher Esposito

Mansueto Institute & Knowledge Lab Postdoctoral Fellow

**Wednesday, January 9**  
**12:30 - 1:30pm CST**  
**Virtual Event**

**Register for Zoom link:**  
**<https://bit.ly/CEsposito>**

We analyze how the incidence of minimum wage increases falls on customers, and indirectly analyze how the incidence falls on restaurant owners, landlords, and employees. We exploit a geographical discontinuity in Los Angeles County that created two minimum wage schedules that remained unequal for over five years. Using a novel multi-year price survey dataset, we show that the full incidence of the higher minimum wage in high-income neighborhoods fell on customers and in low-income neighborhoods was divided between landlords, restaurant owners, and employees. In addition, these responses were affected by proximity to competitors subject to a lower minimum wage.

**Bio:** Chris researches the causes of regional economic development, in particular how regional development is shaped by technological change. His dissertation developed theory and data to study how technologies evolve over long time periods, investigated how new geographical centers for innovation emerge, and mapped out the geography of breakthrough innovation. In two related lines of research, Chris studied the impacts of Los Angeles' minimum wage increase on the local economy and labor force, and the causes of the slowdown in R&D productivity. Chris received his Ph.D. in Geography from UCLA in June 2021. He is currently a postdoctoral fellow at the University of Chicago with appointments in the Mansueto Institute for Urban Innovation and the Knowledge Lab in the Department of Sociology.