Misperceived Discrimination and Task Performance

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Motivation

Long-standing concern: **Expected** discrimination **reinforces negative stereotypes** about productivity a discriminated group through effects on **effort**.

Empirical evidence is generally consistent with this worry. However:

- correlational research
- mostly self-reported job-related attitudes and behavior
- non-incentivized beliefs about discrimination

Research Questions

- On minorities hold overly pessimistic beliefs about discrimination against their racial group?
- ② Do minorities' beliefs respond to information about the actual extent of discrimination?
- Ooes expecting less discrimination lead minorities to try harder and perform better?

Related literature & Contribution

Exogenous information provision

 Haaland and Roth, 2021; Haaland and Roth, 2020; Grigorieff, Roth, and Ubfal, 2020; Alesina, Miano, and Stantcheva, 2018; Lergetporer, Piopiunik, and Simon, 2017 ...

Contribution 1

study the existence of misperceptions among racial minorities

Minorities' endogenous responses to discrimination

 Gagnon, Bosmans, and Riedl, 2020; Hengel, 2020; Kudashvili and Lergetporer, 2019; Alston, 2019; Fouka, 2019; Carlana, 2019; Glover, Pallais, and Pariente, 2017; Kang, DeCelles, Tilcsik, and Jun, 2016; Lavy and Sand, 2018 ...

Contribution 2

 explore the causal effects of minorities' beliefs about discrimination on their effort

Method and Sample

Large-scale online experiment in the US with a representative sample of African Americans (N $\sim 2000).$

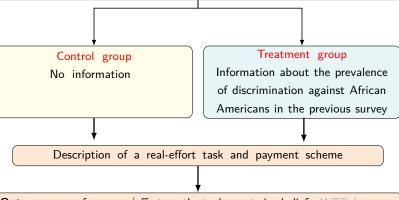
- Why this racial minority?
 - There is abundant research evidence for existing and persistent discrimination against African Americans (e.g. Bertrand, & Mullainathan, 2004; Edelman, Luca, & Svirsky, 2017; Quillian, Pager, Hexel, & Midtbøen, 2017)
 - ▶ African Americans **believe** that **racism** is **pervasive** in US society (Pew Research Center, 2019).

but

Do we know **how accurately** African Americans' perceptions of discrimination reflects the reality?

Experimental Design

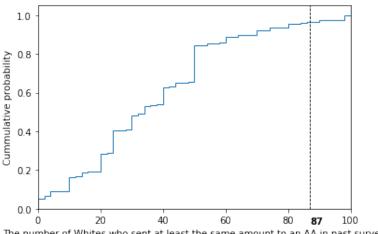
- 1) Description of a **previous survey** with **White** respondents
- 2) **Prior beliefs**: How many White respondents (out of 100) allocated *at least the same amount* to an African American person as to a White person?



Outcomes: performance/effort on the task, posterior beliefs, WTP for raceblind allocation of task earnings, decision to exaggerate own task performance

Results

Minorities vastly overestimate discrimination against their racial group.



The number of Whites who sent at least the same amount to an AA in past survey

Information about discrimination against own racial group strongly **affects minorities' beliefs**.

	Posterior belief				
Treatment	17.85***	17.09***	14.67***	17.54***	
	(1.07)	(1.46)	(1.86)	(1.81)	
$Treatment \times Male$		1.68			
		(2.13)			
Male		-1.80			
		(1.57)			
Treatment imes College			5.07**		
			(2.26)		
College			-1.42		
			(1.69)		
$Treatment \times Democrat$				0.47	
				(2.24)	
Democrat				-0.63	
				(1.64)	
Observations	2,000	2,000	2,000	2,000	
Covariates	yes	yes	yes_	yes	
Control mean	47.13	47.33	48.47	48.49	

Minorities do **not** seem to respond to lower perceived discrimination with higher effort.

	Δtter	npted	Co	rrect
	problems		problems	
	(1)	(2)	(3)	(4)
Treatment (a)	-0.30** (0.13)	-0.19 (0.18)	-0.18 (0.17)	0.18
$Treatment \times Male (b)$	(0.13)	-0.25 (0.26)	(0.17)	(0.22) -0.80** (0.35)
Male		0.51***		1.09***
Linear combination: $a + b$		-0.43** (0.18)		-0.62** (0.26)
Observations Covariates	2,000 yes	2,000 yes	2,000 yes	2,000 yes
Control mean	17.75	17.46	12.15	11.45

We find no evidence for **other** strategic responses of minorities to perceived discrimination.

	WTP for	Extent of
	race-blind	performance
	allocation	exaggeration
	(1)	(2)
Treatment	-0.008 (0.05)	-0.13 (0.15)
Observations	2,000	2,000
Covariates	Yes	Yes
Control mean	0	0.53

Conclusion

Primarily, I fill the gap in literature

 by studying the causal effects of perceived discrimination on racial minorities' effort

Main findings

- Minorities hold predominantly pessimistic beliefs about discrimination against them.
- In response to favorable news, minorities update their beliefs but do not raise their performance. If anything, they decrease their effort.

Thank you!

If you have questions or comments, you could reach me at darya.korlyakova@cerge-ei.cz