MEASURING EMPLOYMENT DISCRIMINATION THROUGH CONTROLLED EXPERIMENTS

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Race/ethnic discrimination in hiring can be measured under controlled conditions using matched pairs of minority and nonminority research assistants posing as applicants for the same job. In 149 in-person job applications in the Washington, D.C., labor market, African American applicants were treated less favorably than equally qualified nonminorities more than one-fifth of the time. Employer behavior during these interactions suggest that, within continued public and private efforts against discrimination, particular attention should be accorded to the cognitive underpinnings of bias.

Three decades after the civil rights revolution of the 1960s, policy consensus remains elusive concerning equal employment opportunities for racial and ethnic minorities. Sharp debate continues on antidiscrimination laws and their enforcement, affirmative action, and immigration control. Underlying this lack of consensus is controversy concerning empirical questions such as: To what extent does discrimination operate in the American labor market today? Has the United States achieved a color-blind society, or do personal characteristics still condition the rewards to personal qualifications?

This paper utilizes a new technique for empirical research on these questions, employment “testing” or “auditing.” The paper first outlines gaps in empirical information that testing can address. It then describes the testing approach and illustrates its power with results from initial applications. These results demonstrate that hiring discrimination remains far more prevalent than is commonly assumed. The paper concludes with suggested directions for future public and private efforts against bias.
WHAT IS KNOWN ABOUT EMPLOYMENT DISCRIMINATION

During the past several decades, substantial research has been conducted on employment discrimination, the vast majority of it suggesting that racial and ethnic bias survives to a significant extent.

This conclusion is reinforced by the continued operation of race/ethnic distinctions throughout American society. These patterns include widespread segregation in housing and social life, as well as incidents of discrimination experienced by minorities in daily living. Additionally, public opinion surveys indicate that substantial segments of the American population continue to hold stereotyped beliefs and prejudiced attitudes toward minority groups.¹

Studies of the labor market also suggest the continued presence of discrimination. While some racial and ethnic gaps have diminished over recent decades, econometric research continues to find that minorities do less well than equally qualified nonminorities on such employment outcomes as representation in higher-level occupations, wages, returns on investment in educational credentials, and rates of job dismissal.² Public agencies enforcing antidiscrimination laws continue to receive a large flow of complaints annually. In 1988 (the latest year for which detailed data have been released), 50,477 charges alleging race, ethnic, or national origin discrimination in employment were filed with the federal Equal Employment Opportunity Commission (EEOC) and its state and local counterparts.³

This accumulated evidence is limited in two important ways. First, much of the information is indirect; rather than observing discriminatory behavior itself, that behavior is inferred from observing its preconditions or its consequences. Second, the magnitude of discrimination remains controversial. Some studies confirm the presence of discrimination but do not estimate its magnitude; others provide quantitative estimates, but these estimates often are not robust with respect to changing assumptions.

Among all aspects of employment, perhaps the greatest uncertainty surrounds estimates of bias in hiring. If a job applicant is told that an advertised position has already been filled or that another applicant has been hired who is more qualified, the disappointed job seeker typically does not have sufficient information to confirm or contradict these assertions. Probably reflecting this difficulty in verification, among all race/ethnicity employment discrimination charges filed with the EEOC in 1988, only 6.4 percent concerned hiring.⁴