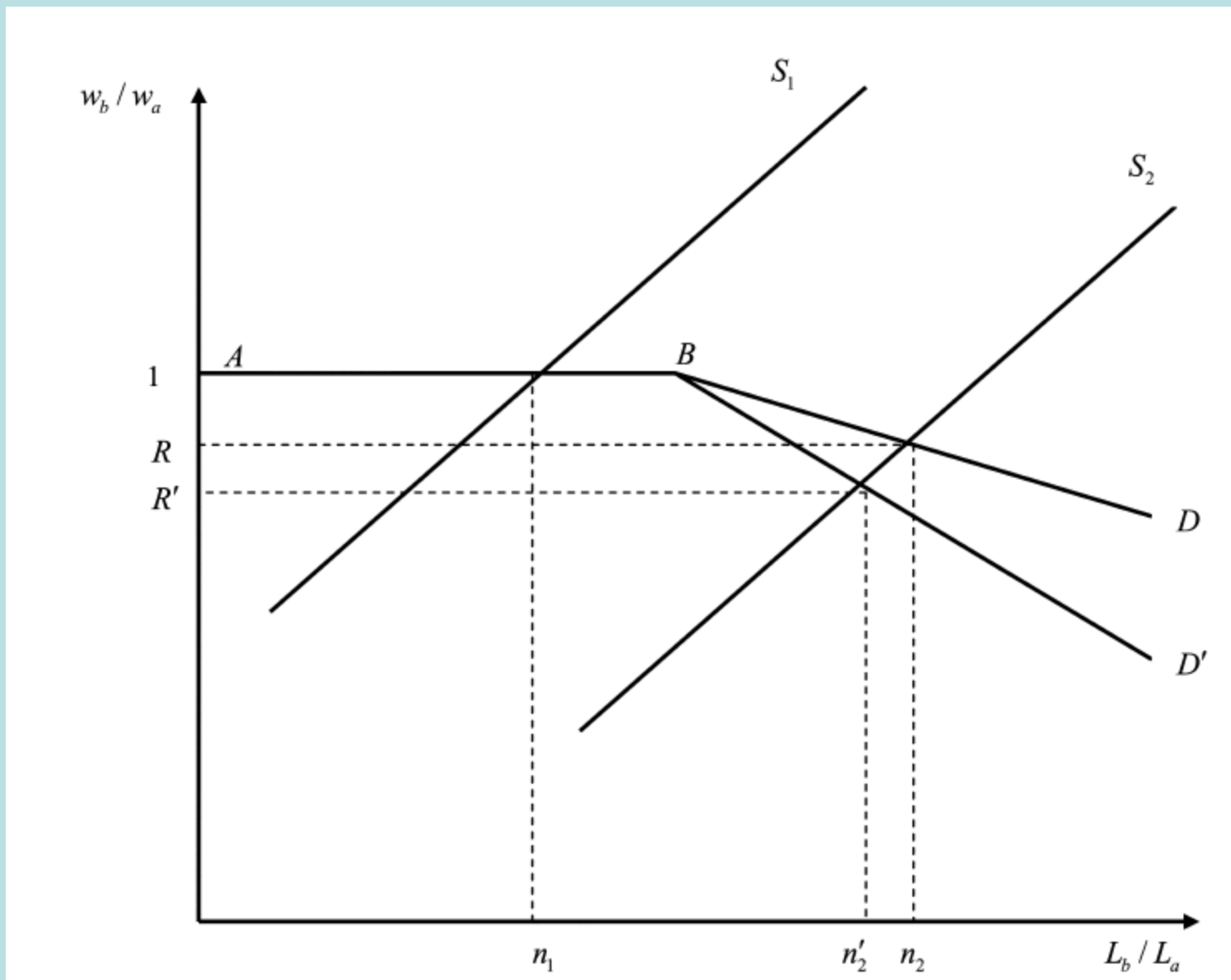


Discrimination in the Labor Market

David Autor
14.663 Spring 2009



Charles and Guryan, 2008

Figure 1a. Positive responses by race and ethnicity

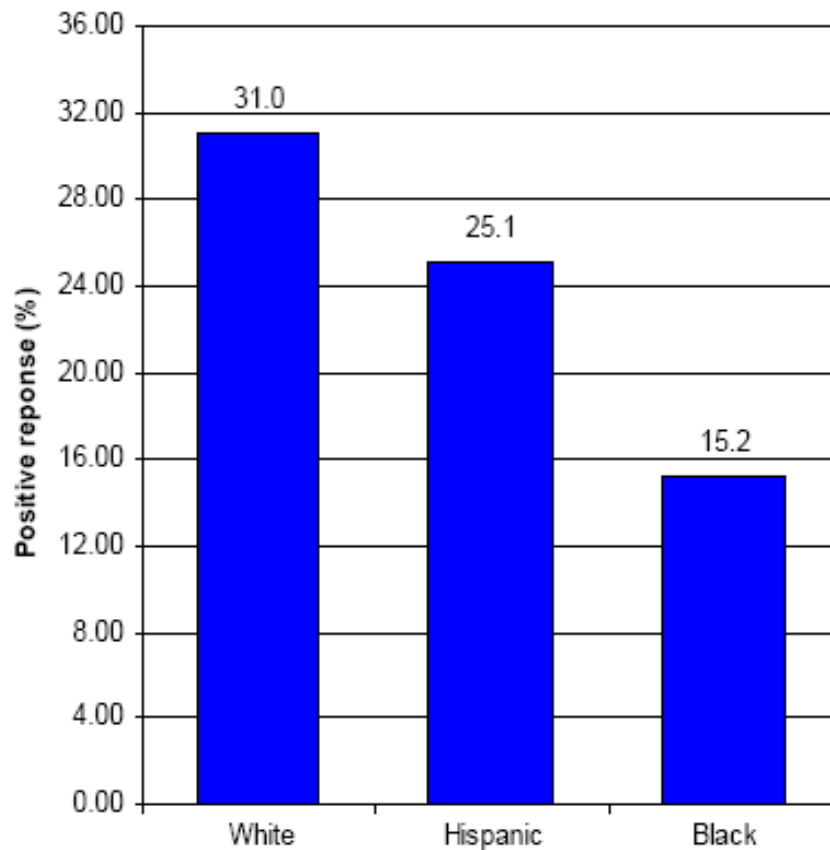


Figure 1b. Differences in positive responses by race and ethnicity

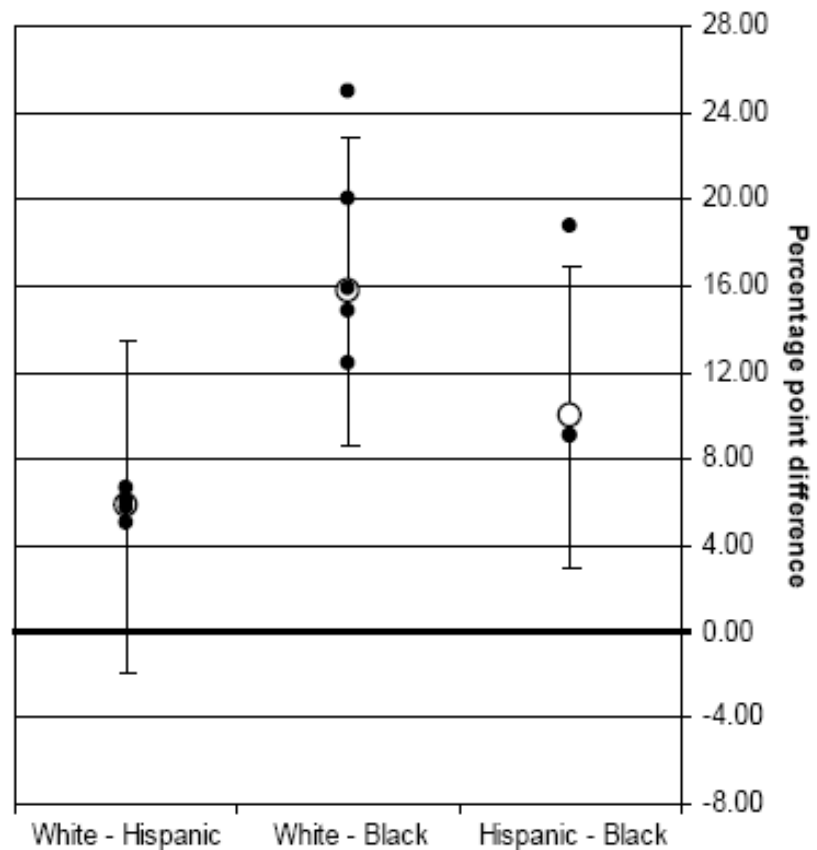


Figure 1. Left panel: Percentage of positive responses by race/ethnicity. Right panel: race/ethnic contrasts, error bars show a 95 percent confidence interval; points indicate cross-validation contrasts obtained by dropping tests associated with each tester.

Figure 2a. Positive responses by race, ethnicity, and criminal record

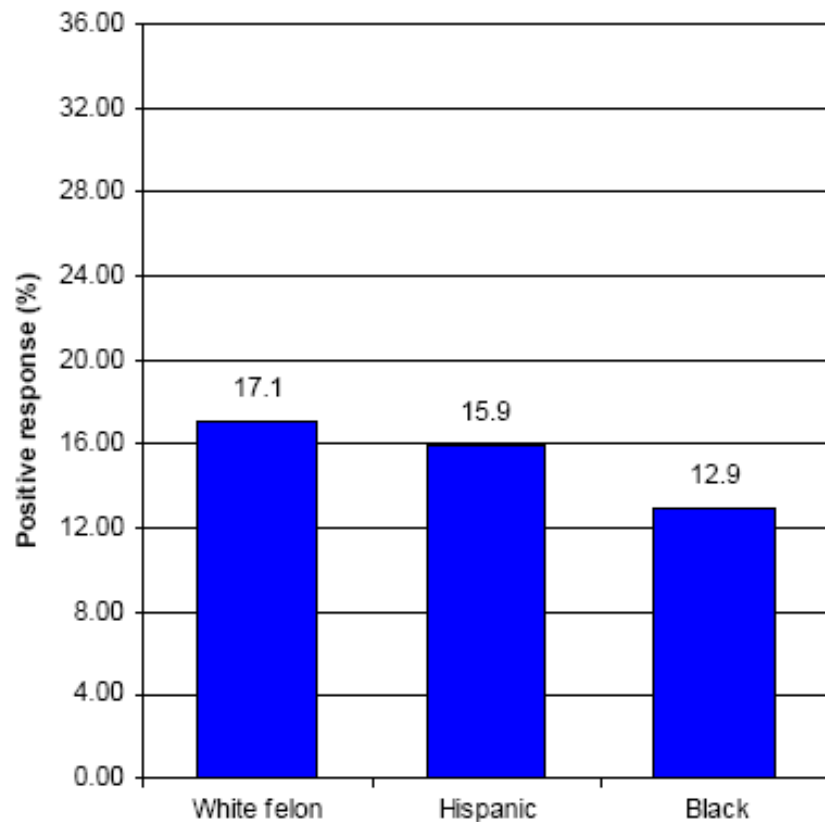


Figure 2b. Differences in positive responses by race, ethnicity, and criminal record

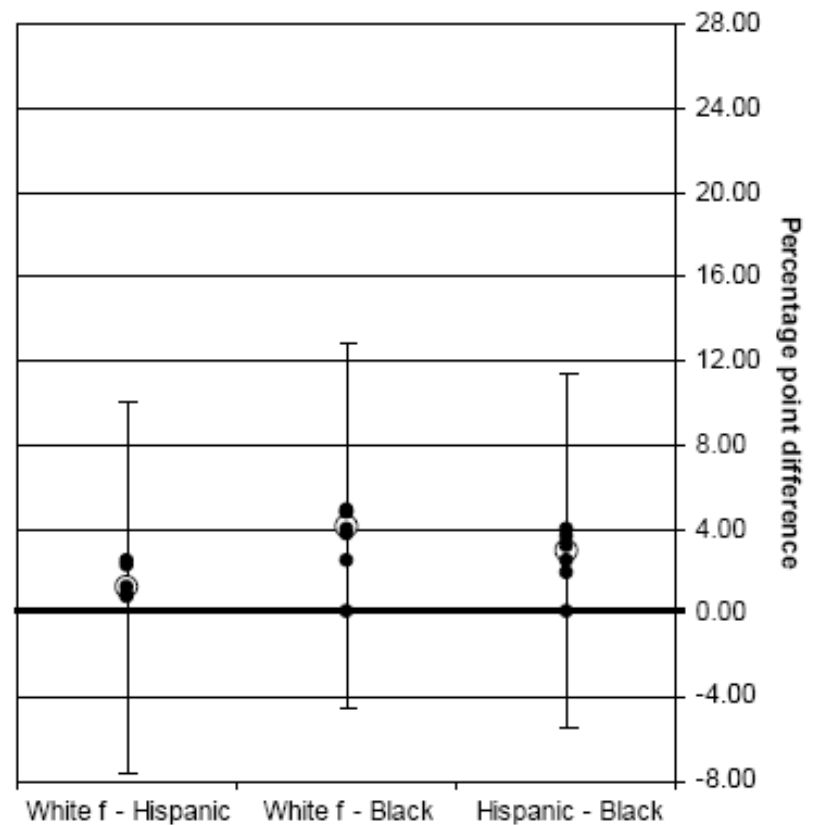


Figure 2. Left panel: Percentage of positive responses by race/ethnicity. The white tester is assigned a criminal record. Right panel: race/ethnic contrasts, error bars show a 95 percent confidence interval; points indicate cross-validation contrasts obtained by dropping tests associated with each tester.

Table 1. Percentage of positive responses and race differences, by level of personal contact

Subsample	White	Latino	Black	Race Differences		
	(<i>W</i>)	(<i>L</i>)	(<i>B</i>)	<i>W/L</i>	<i>W/B</i>	<i>L/B</i>
Total	31.0	25.2	15.2	1.2	2.0	1.7
No personal contact	14.4	8.0	1.5	1.8	9.6	5.3
Personal contact	44.2	42.9	23.8	1.0	1.9	1.8

Subsample	White felon	Latino	Black	Race Differences		
	(<i>Wf</i>)	(<i>L</i>)	(<i>B</i>)	<i>Wf/L</i>	<i>Wf/B</i>	<i>L/B</i>
Total	17.1	15.9	12.9	1.1	1.3	1.2
No personal contact	9.4	10.6	3.4	0.9	2.8	3.1
Personal contact	27.0	22.4	34.0	1.2	0.8	0.7

Note: Personal contact varies across testers within teams. Tests involving personal contact represent 56% by white testers, 49% by Latino testers, and 61% by black testers in the first team (N=171); 44% of white testers, 45% of Latino testers, and 31% of black testers in the second team (N=170).

Table 2. Job Channeling by Race

original job title	suggested job
Blacks channeled down	
Server	Busser (324)
Counter person	Dishwasher/porter (102)
Server	Busboy (189)
Assistant manager	Entry fast food position (258)
Server	Busboy/runner (269)
Retail sales	Maintenance (399)
Counter person	Delivery (176)
Sales	Stockboy (831)
Sales	Not specified ^(a)
Hispanics channeled down	
Server	Runner (199)
Sales	Stock (2)
Steam cleaning	Exterminator (79)
Counter person	Delivery (176)
Sales	Stock person (503)
Whites channeled down	
Server	Busboy (192)

Table 2. Job Channeling by Race

Hispanics channeled up

Carwash attendant

Warehouse worker

Manager (1058)

Computer/office (1001)

Whites channeled up

Line Cook

Mover

Dishwasher

Driver

Kitchen job

Receptionist

Waistaff (254)

Office / Telesales (784)

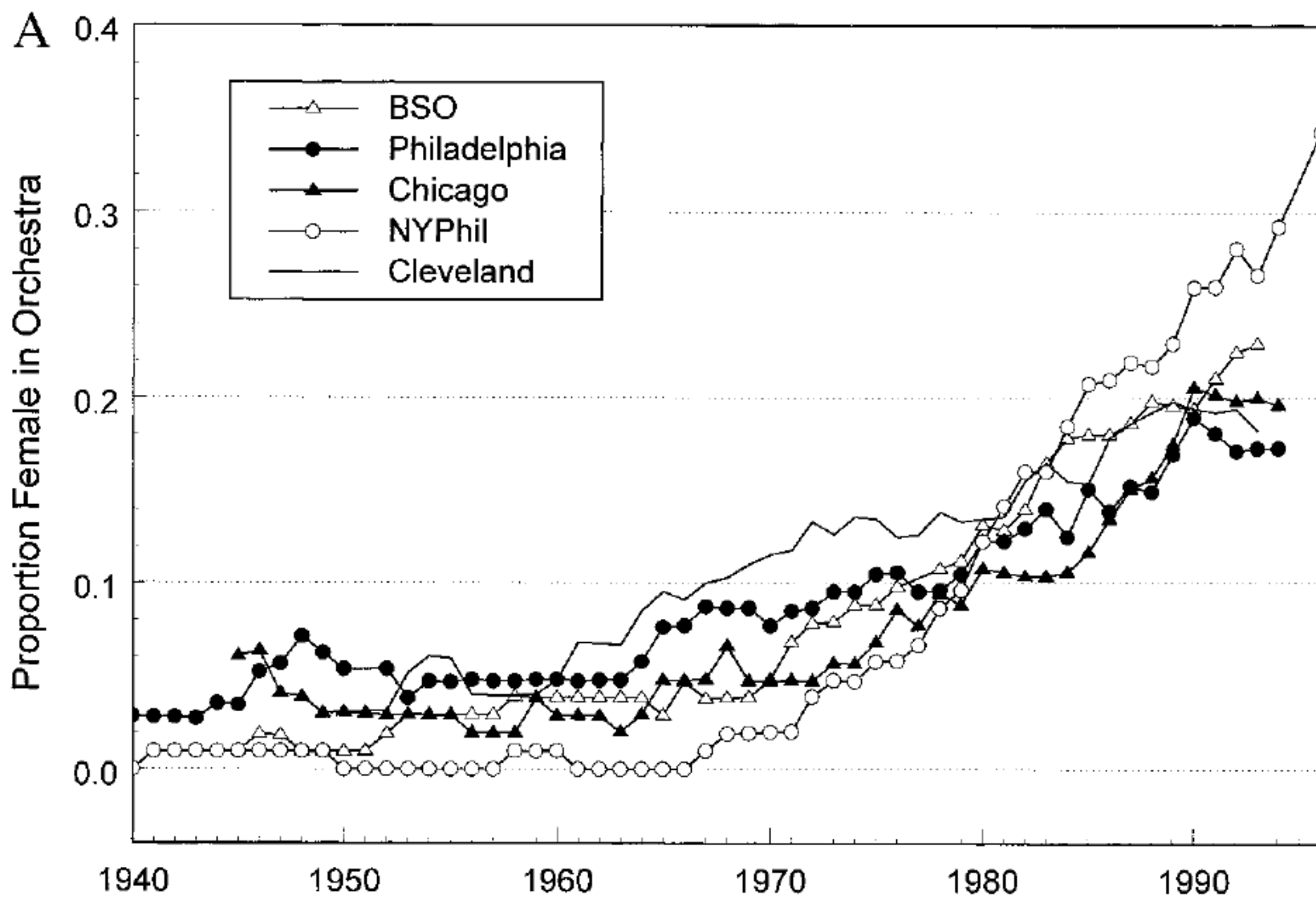
Waistaff (858)

Auto detailing (948)

“Front of the house” job (5)

Company supervisor (347)

Note: no Blacks were channeled up



Goldin and Rouse 2000

TABLE 4—AVERAGE SUCCESS AT AUDITIONS BY SEX, YEAR, AND ROUND OF AUDITION

Year	Relative female success		
	All auditions	Completely blind auditions	Not completely blind auditions
All	-0.001 (0.008)	-0.022 (0.012)	0.006 (0.010)
Pre-1970	0.053 (0.115)		0.053 (0.115)
1970–1979	0.001 (0.021)		0.001 (0.021)
1980–1989	-0.006 (0.009)	-0.039 (0.016)	0.010 (0.009)
1990+	-0.003 (0.010)	-0.001 (0.017)	-0.003 (0.013)
Round	All rounds	Blind rounds	Not-blind rounds
Preliminaries, without semifinals	-0.032 (0.019)	-0.048 (0.021)	0.012 (0.040)
Preliminaries, with semifinals	-0.048 (0.016)	-0.052 (0.016)	0.116 (0.228)
Semifinals	-0.030 (0.038)	-0.059 (0.044)	0.071 (0.080)
Finals	0.009 (0.036)	-0.028 (0.102)	0.016 (0.038)

Notes: For the top part of the table “success” is a “hire,” whereas for the bottom portion “success” is advancement from one stage of an audition to the next. The unit of observation for the top portion is the audition, whereas it is the round for the bottom portion (e.g., relative female success in the top portion of the table is averaged across the auditions). Standard errors are in parentheses. “Relative female success” is the proportion of women advanced (or hired) minus the proportion of men advanced (or hired). By hired, we mean those who were advanced from the final round out of the entire audition.

Source: Eight-orchestra audition sample. See text.

TABLE 5—AVERAGE SUCCESS AT AUDITIONS BY SEX AND STAGE OF AUDITION FOR THE SUBSET OF MUSICIANS WHO AUDITIONED BOTH BLIND AND NOT BLIND

	Blind		Not blind	
	Proportion advanced	Number of person-rounds	Proportion advanced	Number of person-rounds
Preliminaries without semifinals				
Women	0.286 (0.043)	112	0.193 (0.041)	93
Men	0.202 (0.026)	247	0.225 (0.031)	187
Preliminaries with semifinals				
Women	0.200 (0.092)	20	0.133 (0.091)	15
Men	0.083 (0.083)	12	0.000 (0.000)	8
Semifinals				
Women	0.385 (0.061)	65	0.568 (0.075)	44
Men	0.368 (0.059)	68	0.295 (0.069)	44
Finals				
Women	0.235 (0.106)	17	0.087 (0.060)	23
Men	0.000 (0.000)	12	0.133 (0.091)	15
“Hired”				
Women	0.027 (0.008)	445	0.017 (0.005)	599
Men	0.026 (0.005)	816	0.027 (0.005)	1102

TABLE 6—LINEAR PROBABILITY ESTIMATES OF THE LIKELIHOOD OF BEING ADVANCED: WITH INDIVIDUAL FIXED EFFECTS

	Preliminaries							
	Without semifinals		With semifinals		Semifinals		Finals	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Blind	-0.017 (0.039)	0.003 (0.046)	0.109 (0.172)	0.224 (0.242)	0.026 (0.089)	0.102 (0.096)	-0.154 (0.150)	-0.060 (0.149)
Female × Blind	0.125 (0.068)	0.111 (0.067)	0.013 (0.215)	-0.025 (0.251)	-0.179 (0.126)	-0.235 (0.133)	0.308 (0.196)	0.331 (0.181)
Number of auditions attended		-0.020 (0.014)		0.010 (0.010)		0.015 (0.030)		0.126 (0.028)
Years since last audition		-0.005 (0.007)		-0.006 (0.005)		-0.005 (0.013)		0.016 (0.015)
Automatic placement						-0.096 (0.064)		-0.069 (0.073)
“Big Five” orchestra		-0.154 (0.035)		-0.059 (0.024)		0.006 (0.081)		-0.059 (0.084)
Total number of auditioners in round (÷100)		-0.003 (0.081)		0.014 (0.031)		-0.371 (0.521)		-0.262 (0.756)
Proportion female at the audition round		0.118 (0.139)		0.312 (0.134)		0.104 (0.218)		0.067 (0.159)
Principal		-0.079 (0.037)		-0.078 (0.019)		-0.082 (0.066)		-0.185 (0.076)
Substitute		0.165 (0.081)		0.123 (0.093)		0.167 (0.183)		0.079 (0.217)
p -value of H_0 : Blind + (Female × Blind) = 0	0.053	0.063	0.342	0.285	0.089	0.170	0.222	0.042
Year fixed effects?	No	Yes	No	Yes	No	Yes	No	Yes
R^2	0.748	0.775	0.687	0.697	0.774	0.794	0.811	0.878
Number of observations	5,395	5,395	6,239	6,239	1,360	1,360	1,127	1,127

Notes: The unit of observation is a person-round. The dependent variable is 1 if the individual is advanced to the next round and 0 if not. Standard errors are in parentheses. All specifications include individual fixed effects, an interaction for the sex being missing and a blind audition round, a dummy indicating if years since last audition is missing, and [in columns (3)–(8)] whether an automatic placement is missing.

Source: Eight-orchestra audition sample. See text.

TABLE 7—LINEAR PROBABILITY ESTIMATES OF THE LIKELIHOOD OF BEING ADVANCED: WITH INDIVIDUAL AND ORCHESTRA FIXED EFFECTS

	Include individual fixed effects		Exclude individual fixed effects
	(1)	(2)	(3)
Blind	0.404 (0.027)	0.399 (0.027)	0.103 (0.018)
Female × Blind	0.044 (0.039)	0.041 (0.039)	-0.069 (0.022)
Female			-0.005 (0.019)
<i>p</i> -value of H_0 : Blind + (Female × Blind) = 0	0.000	0.000	0.090
Individual fixed effects?	Yes	Yes	No
Orchestra fixed effects?	No	Yes	Yes
Year fixed effects?	Yes	Yes	Yes
Other covariates?	Yes	Yes	Yes
R^2	0.615	0.615	0.048
Number of observations	8,159	8,159	8,159

TABLE A1—FIRST NAMES USED IN EXPERIMENT

White female			African-American female		
Name	L(W)/L(B)	Perception White	Name	L(B)/L(W)	Perception Black
Allison	∞	0.926	Aisha	209	0.97
Anne	∞	0.962	Ebony	∞	0.9
Carrie	∞	0.923	Keisha	116	0.93
Emily	∞	0.925	Kenya	∞	0.967
Jill	∞	0.889	Lakisha	∞	0.967
Laurie	∞	0.963	Latonya	∞	1
Kristen	∞	0.963	Latoya	∞	1
Meredith	∞	0.926	Tamika	284	1
Sarah	∞	0.852	Tanisha	∞	1
Fraction of all births:			Fraction of all births:		
3.8 percent			7.1 percent		
White male			African-American male		
Name	L(W)/L(B)	Perception White	Name	L(B)/L(W)	Perception Black
Brad	∞	1	Darnell	∞	0.967
Brendan	∞	0.667	Hakim		0.933
Geoffrey	∞	0.731	Jamal	257	0.967
Greg	∞	1	Jermaine	90.5	1
Brett	∞	0.923	Kareem	∞	0.967
Jay	∞	0.926	Leroy	44.5	0.933
Matthew	∞	0.888	Rasheed	∞	0.931
Neil	∞	0.654	Tremayne	∞	0.897
Todd	∞	0.926	Tyrone	62.5	0.900
Fraction of all births:			Fraction of all births:		
1.7 percent			3.1 percent		

Notes: This table tabulates the different first names used in the experiment and their identifiability. The first column reports the likelihood that a baby born with that name (in Massachusetts between 1974 and 1979) is White (or African-American) relative to the likelihood that it is African-American (White). The second column reports the probability that the name was picked as White (or African-American) in an independent field survey of people. The last row for each group of names shows the proportion of all births in that race group that these names account for.

TABLE 1—MEAN CALLBACK RATES BY RACIAL SOUNDINGNESS OF NAMES

	Percent callback for White names	Percent callback for African-American names	Ratio	Percent difference (<i>p</i> -value)
Sample:				
All sent resumes	9.65 [2,435]	6.45 [2,435]	1.50	3.20 (0.0000)
Chicago	8.06 [1,352]	5.40 [1,352]	1.49	2.66 (0.0057)
Boston	11.63 [1,083]	7.76 [1,083]	1.50	4.05 (0.0023)
Females	9.89 [1,860]	6.63 [1,886]	1.49	3.26 (0.0003)
Females in administrative jobs	10.46 [1,358]	6.55 [1,359]	1.60	3.91 (0.0003)
Females in sales jobs	8.37 [502]	6.83 [527]	1.22	1.54 (0.3523)
Males	8.87 [575]	5.83 [549]	1.52	3.04 (0.0513)

Notes: The table reports, for the entire sample and different subsamples of sent resumes, the callback rates for applicants with a White-sounding name (column 1) an an African-American-sounding name (column 2), as well as the ratio (column 3) and difference (column 4) of these callback rates. In brackets in each cell is the number of resumes sent in that cell. Column 4 also reports the *p*-value for a test of proportion testing the null hypothesis that the callback rates are equal across racial groups.

Bertrand and Mullainathan, 2004

TABLE 5—EFFECT OF RESUME CHARACTERISTICS ON LIKELIHOOD OF CALLBACK

Dependent Variable: Callback Dummy Sample:	All resumes	White names	African-American names
Years of experience (*10)	0.07 (0.03)	0.13 (0.04)	0.02 (0.03)
Years of experience ² (*100)	-0.02 (0.01)	-0.04 (0.01)	-0.00 (0.01)
Volunteering? (Y = 1)	-0.01 (0.01)	-0.01 (0.01)	0.01 (0.01)
Military experience? (Y = 1)	-0.00 (0.01)	0.02 (0.03)	-0.01 (0.02)
E-mail? (Y = 1)	0.02 (0.01)	0.03 (0.01)	-0.00 (0.01)
Employment holes? (Y = 1)	0.02 (0.01)	0.03 (0.02)	0.01 (0.01)
Work in school? (Y = 1)	0.01 (0.01)	0.02 (0.01)	-0.00 (0.01)
Honors? (Y = 1)	0.05 (0.02)	0.06 (0.03)	0.03 (0.02)
Computer skills? (Y = 1)	-0.02 (0.01)	-0.04 (0.02)	-0.00 (0.01)
Special skills? (Y = 1)	0.05 (0.01)	0.06 (0.02)	0.04 (0.01)
<i>Ho</i> : Resume characteristics effects are all zero (<i>p</i> -value)	54.50 (0.0000)	57.59 (0.0000)	23.85 (0.0080)
Standard deviation of predicted callback	0.047	0.062	0.037
Sample size	4,870	2,435	2,435

Bertrand and Mullainathan, 2004

TABLE 6—EFFECT OF APPLICANT’S ADDRESS ON LIKELIHOOD OF CALLBACK

Dependent Variable: Callback Dummy						
Zip code characteristic:	Fraction Whites		Fraction college or more		Log(per capital income)	
Zip code characteristic	0.020 (0.012)	0.020 (0.016)	0.054 (0.022)	0.053 (0.031)	0.018 (0.007)	0.014 (0.010)
Zip code characteristic*	—	—0.000 (0.024)	—	—0.002 (0.048)	—	0.008 (0.015)
African-American name	—	—0.031 (0.015)	—	—0.031 (0.013)	—	—0.112 (0.152)

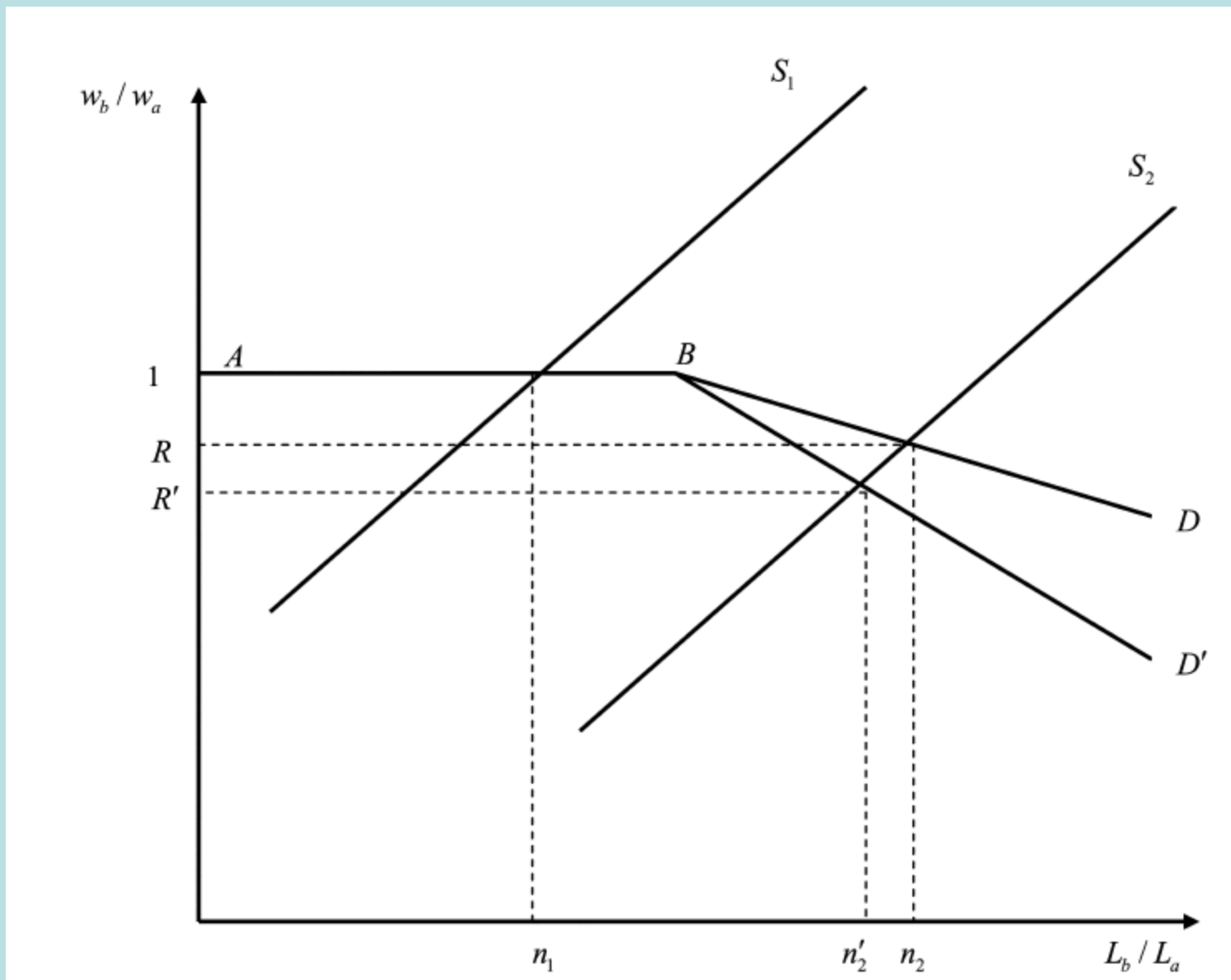
Notes: Each column gives the results of a probit regression where the dependent variable is the callback dummy. Reported in the table is the estimated marginal change in probability. Also included in columns 1, 3, and 5 is a city dummy; also included in columns 2, 4, and 6 is a city dummy and a city dummy interacted with a race dummy. Standard errors are corrected for clustering of the observations at the employment-ad level.

TABLE 8—CALLBACK RATE AND MOTHER'S EDUCATION BY FIRST NAME

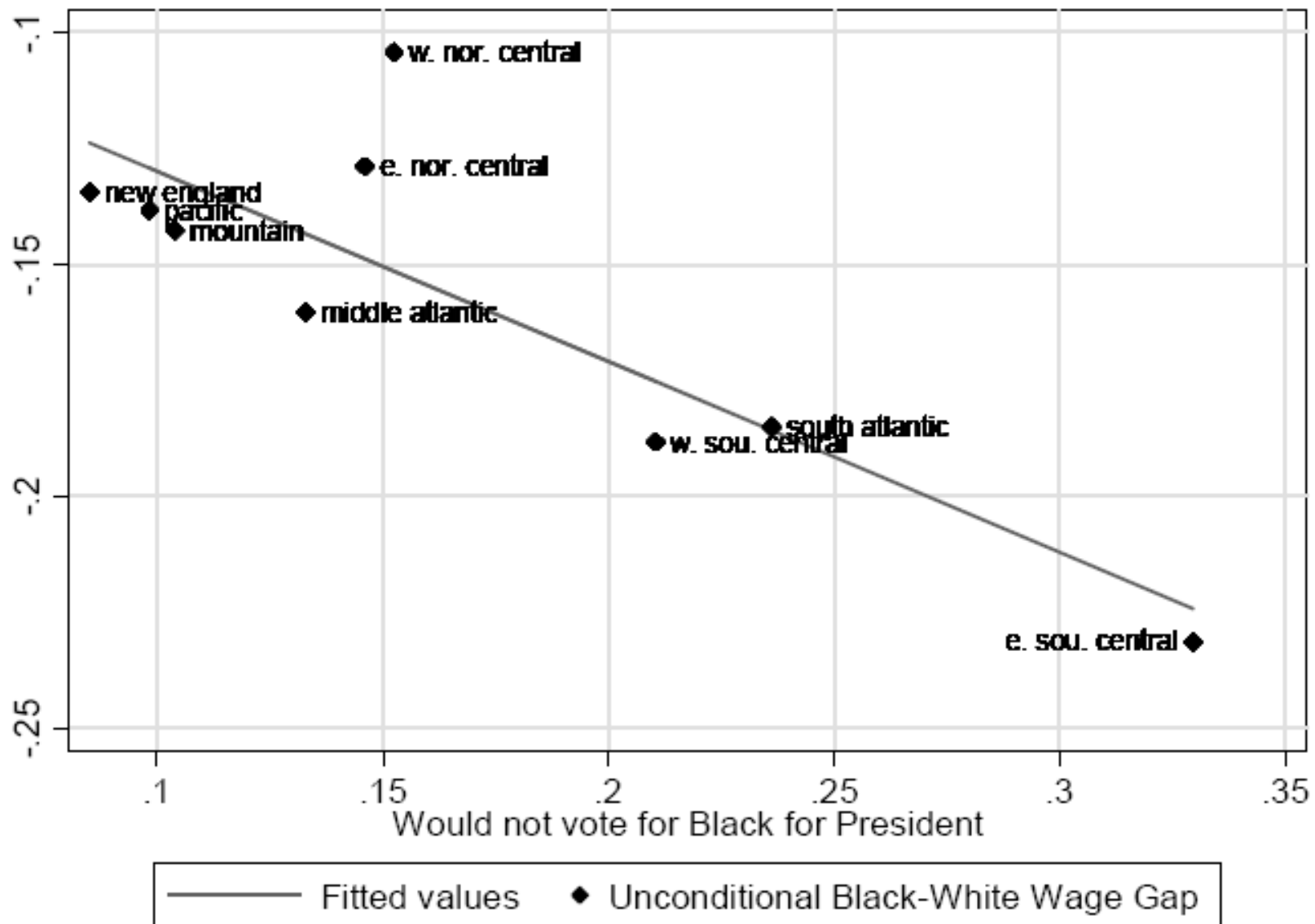
White female			African-American female		
Name	Percent callback	Mother education	Name	Percent callback	Mother education
Emily	7.9	96.6	Aisha	2.2	77.2
Anne	8.3	93.1	Keisha	3.8	68.8
Jill	8.4	92.3	Tamika	5.5	61.5
Allison	9.5	95.7	Lakisha	5.5	55.6
Laurie	9.7	93.4	Tanisha	5.8	64.0
Sarah	9.8	97.9	Latoya	8.4	55.5
Meredith	10.2	81.8	Kenya	8.7	70.2
Carrie	13.1	80.7	Latonya	9.1	31.3
Kristen	13.1	93.4	Ebony	9.6	65.6
Average		91.7	Average		61.0
Overall		83.9	Overall		70.2
Correlation	-0.318	($p = 0.404$)	Correlation	-0.383	($p = 0.309$)

White male			African-American male		
Name	Percent callback	Mother education	Name	Percent callback	Mother education
Todd	5.9	87.7	Rasheed	3.0	77.3
Neil	6.6	85.7	Tremayne	4.3	—
Geoffrey	6.8	96.0	Kareem	4.7	67.4
Brett	6.8	93.9	Darnell	4.8	66.1
Brendan	7.7	96.7	Tyrone	5.3	64.0
Greg	7.8	88.3	Hakim	5.5	73.7
Matthew	9.0	93.1	Jamal	6.6	73.9
Jay	13.4	85.4	Leroy	9.4	53.3
Brad	15.9	90.5	Jermaine	9.6	57.5
Average		91.7	Average		66.7
Overall		83.5	Overall		68.9
Correlation	-0.0251	($p = 0.949$)	Correlation	-0.595	($p = 0.120$)

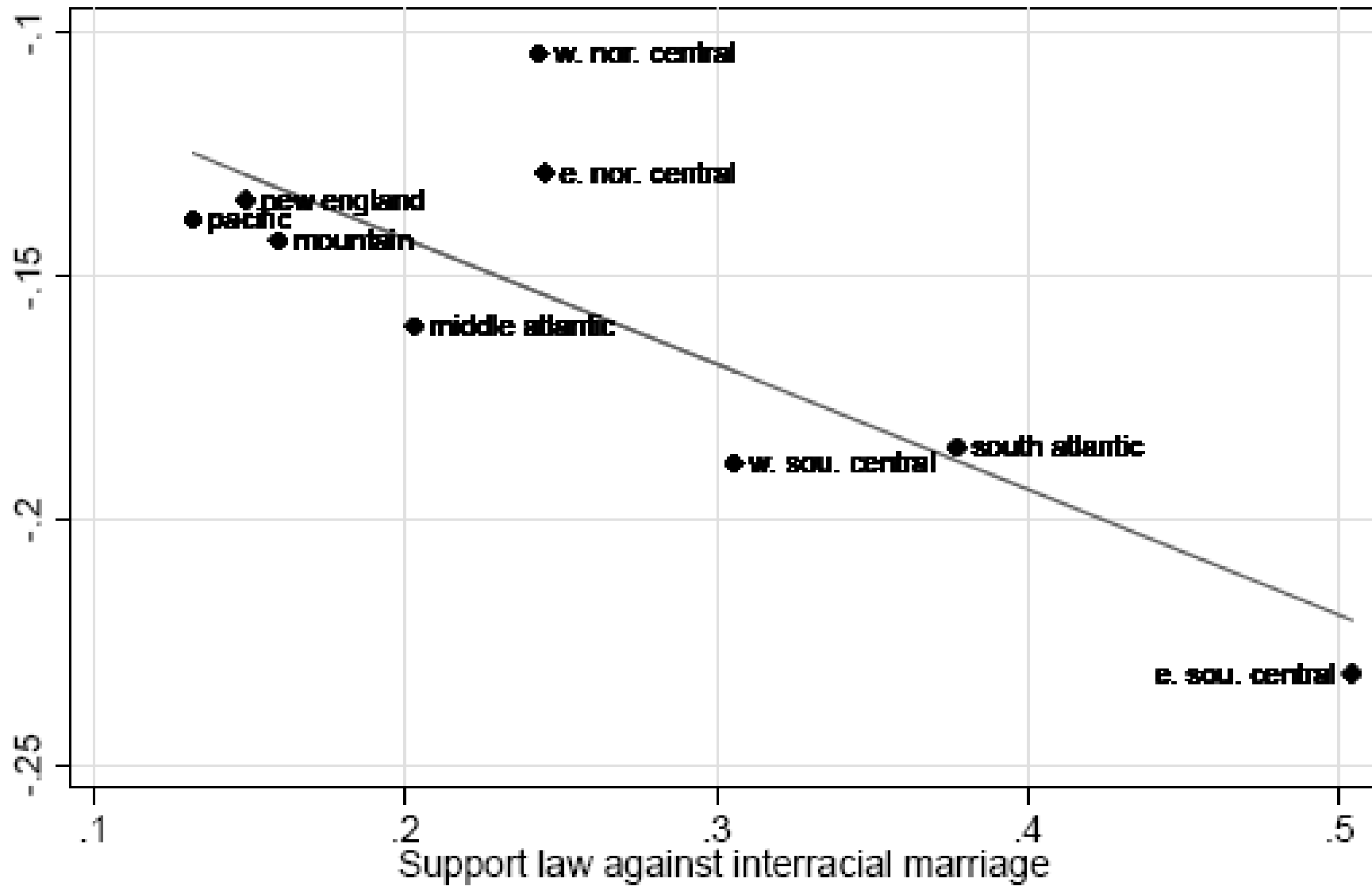
Bertrand and Mullainathan, 2004



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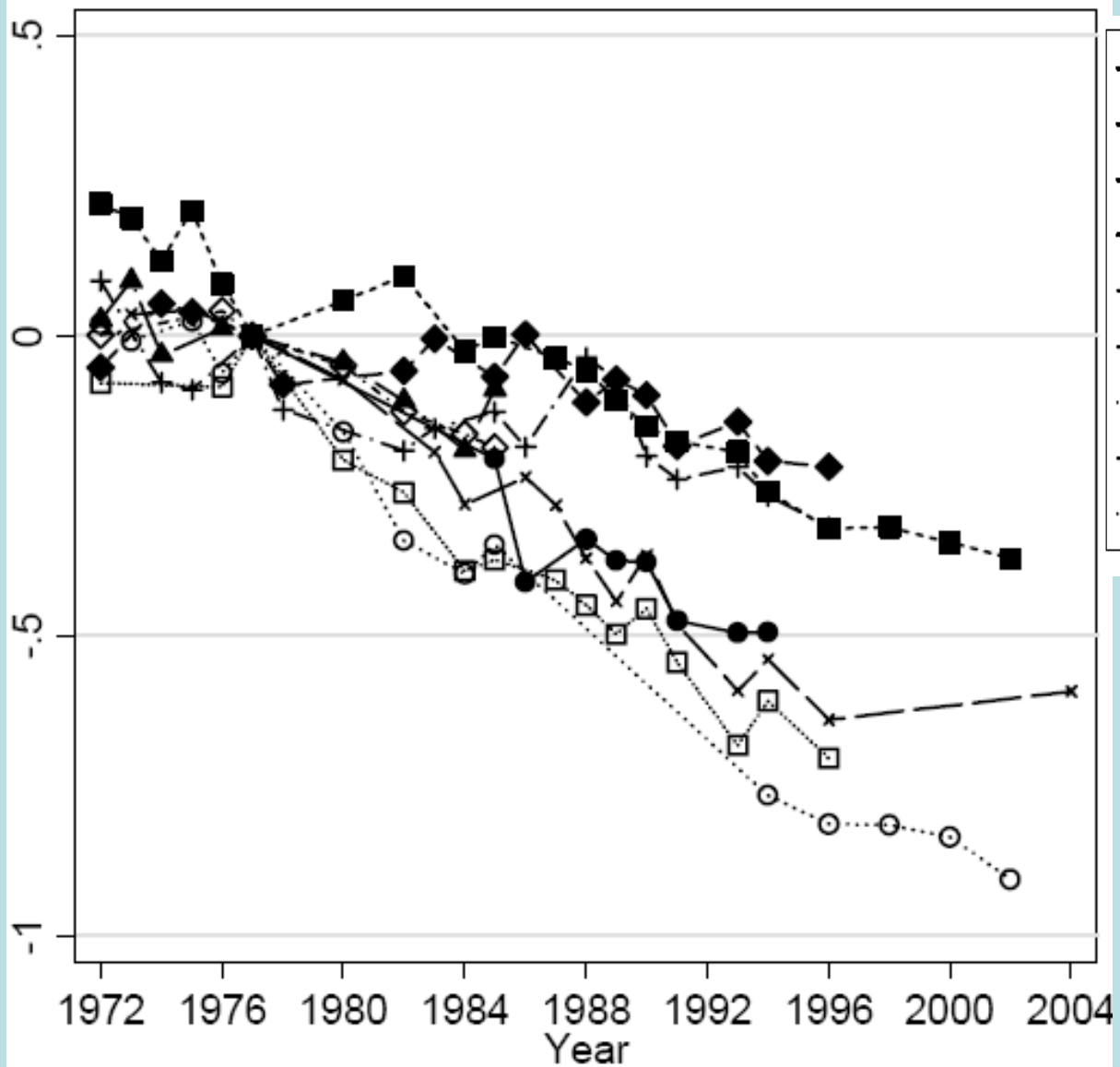


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— Fitted values ◆ Unconditional Black-White Wage Gap

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- Quit club if refused to admit blacks?
- ◆ Object sending kids to school w/blacks?
- Law against interracial marriage?
- ▲ Object friend bring black to dinner?
- * Support law allowing not to sell to blacks?
- + Vote black for president?
- Blacks shouldn't push where not wanted?
- ◇ Whites blacks go to same schools?
- Whites can keep blacks out neighborhoods?

Charles and Guryan, 2008

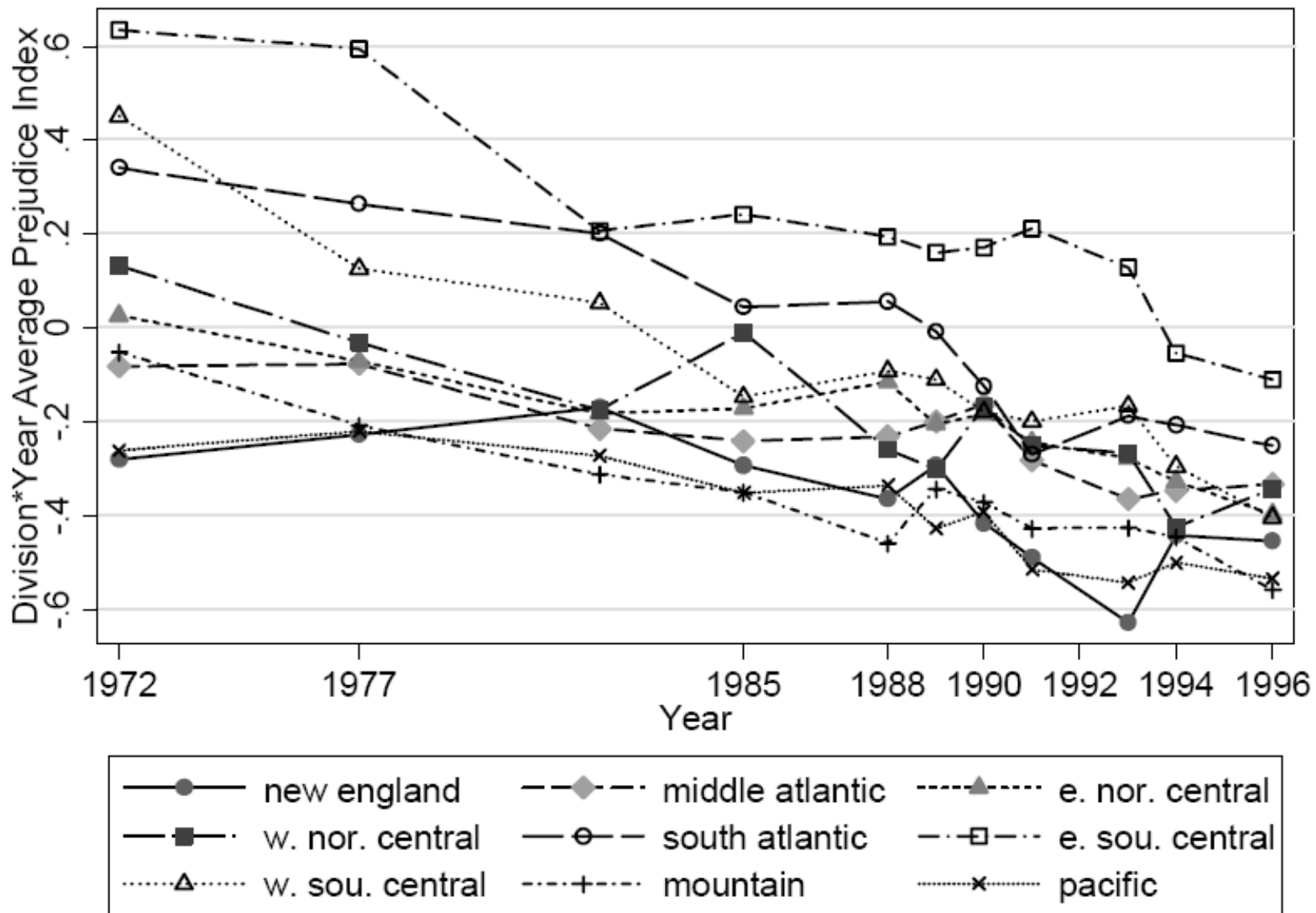
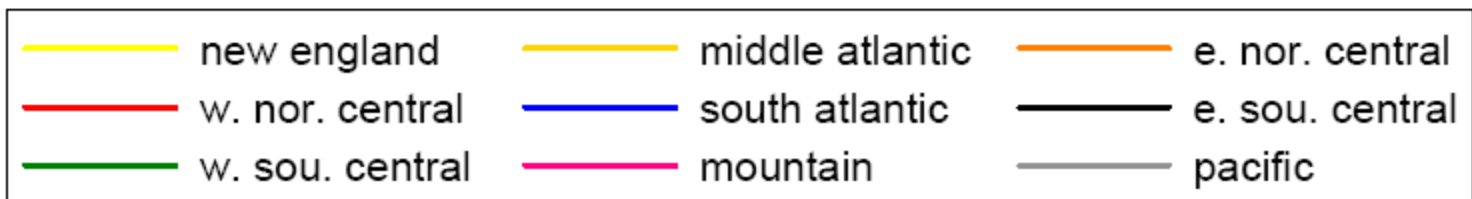
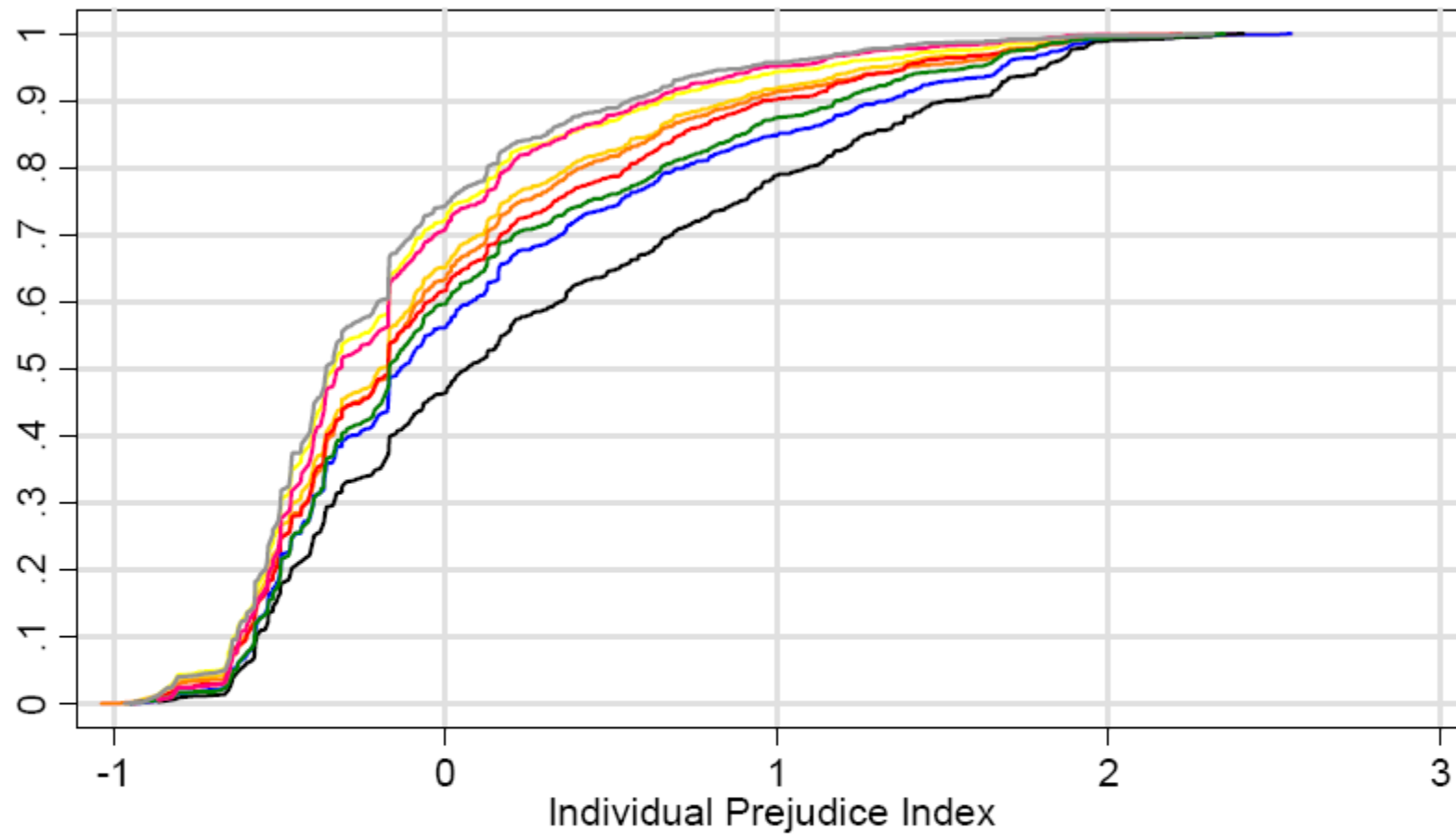


Figure 4: Trends in prejudice by Census division

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TABLE 2
PREJUDICE AND WAGES ACROSS CENSUS DIVISIONS

	SUPPORT LAW AGAINST INTERRACIAL MARRIAGE (1)	WOULD NOT VOTE FOR BLACK FOR PRESIDENT (2)	WHITES HAVE RIGHT TO SEGREGATE NEIGHBORHOOD (3)	AVERAGE PREJUDICE INDEX		% BLACK (6)	BLACK- WHITE WAGE GAP (7)
				Overall (4)	High Skilled (5)		
East South Central	.504	.330	2.356	.167	-.123	14.2	-.281
South Atlantic	.377	.236	2.187	.007	-.341	16.9	-.249
West South Central	.306	.210	2.011	-.090	-.358	9.7	-.212
East North Central	.245	.146	2.007	-.168	-.484	6.9	-.143
West North Central	.243	.152	1.930	-.201	-.515	2.2	-.117
Middle Atlantic	.203	.133	1.919	-.210	-.465	8.6	-.202
Mountain	.159	.104	1.642	-.359	-.560	1.7	-.149
New England	.149	.085	1.647	-.375	-.604	2.4	-.172
Pacific	.132	.098	1.628	-.378	-.547	4.5	-.109
Dependent Variable: Unconditional Black-White Wage Gap							
Bivariate OLS coefficient	-.404 (.102)	-.617 (.158)	-.181 (.056)	-.263 (.068)	-.338 (.078)		
Observations	9	9	9	9	9		
R ²	.69	.69	.60	.68	.73		

NOTE.—The top panel reports sample means for each of the nine census divisions. The possible answers to the questions in cols. 1 and 2 are 1 (yes) or 0 (no), whereas there are four possible answers to the question about residential segregation in col. 3: 1 (disagree strongly), 2 (disagree slightly), 3 (agree slightly), and 4 (agree strongly). The bottom panel reports coefficients and standard errors (in parentheses) for bivariate OLS regressions of the black-white wage gap in the census division on the measure of prejudice reported in the respective column.

Table 1: Demographic Traits and Individual Level Prejudice

	Aggregate Index of Individual Prejudice				Not Vote for a Black for President			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Age/10	0.090 (0.003)			0.071 (0.002)	0.030 (0.003)			0.022 (0.002)
Education		-0.057 (0.003)		-0.047 (0.002)		-0.021 (0.002)		-0.018 (0.002)
Female			-0.038 (0.006)	-0.068 (0.005)			-0.016 (0.006)	-0.026 (0.005)
No. Obs.	35,757	35,780	35,864	35,684	16,441	16,463	16,491	16,416
R-squared	0.16	0.17	0.11	0.20	0.07	0.08	0.05	0.09
	Support a Law Against Interracial Marriage				Whites Have Right to Segregate Neighborhoods			
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
Age/10	0.070 (0.003)			0.054 (0.002)	0.137 (0.005)			0.105 (0.005)
Education		-0.044 (0.003)		-0.035 (0.002)		-0.086 (0.004)		-0.070 (0.004)
Female			0.030 (0.006)	0.009 (0.005)			0.017 (0.013)	-0.030 (0.011)
No. Obs.	23,368	23,378	23,433	23,319	15,294	15,304	15,337	15,264
R-squared	0.20	0.21	0.12	0.26	0.17	0.17	0.11	0.20

Note: Table reports coefficient estimates from individual level OLS regressions of measures of prejudice on demographic traits. Four regressions are reported for each dependent variable, denoted above the results. In addition to the regressors listed in the table, regressions control for state and year effects. Standard errors are corrected for clustering at the state level.

TABLE 3
ESTIMATED RELATIONSHIP BETWEEN RACIAL PREJUDICE OF WHITES IN A LABOR MARKET
AND BLACK-WHITE RELATIVE WAGES
Dependent Variable: Residual Black-White Wage Gap in Market

Measure of Prejudice among All Whites	(1)	(2)	(3)	(4)	(5)	(6)
Average	-.036 (.030)		.097 (.029)	.050 (.033)		
Marginal		-.213 (.040)	-.328 (.050)	-.202 (.068)		
10th percentile					-.212 (.180)	-.292 (.125)
Median					-.006 (.062)	.007 (.043)
90th percentile					.016 (.029)	.016 (.020)
Fraction black				-.157 (.062)		-.304 (.045)
State	45	45	45	45	45	45
R^2	.03	.40	.52	.59	.05	.56

NOTE.—The table reports coefficients (standard errors) from OLS regressions of residual state-level black-white wage gaps on various measures of prejudice among all whites (the mean of the black-white wage gap across states is -0.123 , and the standard deviation is $.044$). Residual black-white wage gaps are estimated using 1977–2002 May/MORG CPS data and control for education, a quadratic in experience, race-specific year effects, and state effects. Data from 1973–76 are dropped because the CPS reports states in groups in those years. States are dropped if they are not sampled in the GSS in the years necessary to measure the marginal index of prejudice. The “marginal” is the p th percentile of the prejudice distribution of the relevant population of whites, where p is the fraction of the population that is black. See the text for details.

TABLE 4
 CONTROLLING FOR TEST SCORE DIFFERENCES BY STATE
 Dependent Variable: Residual Black-White Wage Gap in Market

Measure of Prejudice among All Whites	(1)	(2)	(3)	(4)	(5)	(6)
Average	-.070 (.028)		.066 (.037)	.026 (.039)		
Marginal		-.196 (.038)	-.283 (.061)	-.171 (.076)		
10th percentile					-.352 (.190)	-.336 (.143)
Median					.017 (.057)	.002 (.043)
90th percentile					-.002 (.030)	.012 (.023)
Fraction black				-.155 (.069)		-.265 (.052)
White-black difference in NAEP math	-.024 (.040)	-.034 (.033)	-.034 (.032)	-.042 (.030)	-.030 (.042)	-.055 (.032)
White-black difference in NAEP reading	-.141 (.039)	-.084 (.031)	-.047 (.037)	-.026 (.036)	-.149 (.041)	-.047 (.037)
States	39	39	39	39	39	39
R ²	.34	.55	.59	.65	.37	.65

NOTE.—The table reports coefficients (standard errors) from specifications similar to those in table 3, adding controls for racial difference in standardized test scores. The test score control is the difference in average z-score from the NAEP-LTT math (1978–2004) and reading (1971–2004) tests. The mean of the black-white wage gap across states is -0.123, and the standard deviation is .044.

TABLE 5
 RESTRICTING TO SOUTHERN STATES AND CONTROLLING FOR SCHOOL QUALITY
 Dependent Variable: Residual Black-White Wage Gap in Market

Measure of Prejudice among All Whites	(1)	(2)	(3)	(4)	(5)	(6)
A. Sample of Southern States						
Average	.008 (.040)		.107 (.024)	.013 (.034)		
Marginal		-.206 (.053)	-.319 (.043)	-.165 (.057)		
10th percentile					-.383 (.246)	-.300 (.116)
Median					.012 (.065)	.019 (.031)
90th percentile					.062 (.037)	-.005 (.020)
Fraction black				-.194 (.058)		-.325 (.046)
States	18	18	18	18	18	18
R^2	.00	.49	.78	.88	.23	.84

TABLE 5
RESTRICTING TO SOUTHERN STATES AND CONTROLLING FOR SCHOOL QUALITY
Dependent Variable: Residual Black-White Wage Gap in Market

Measure of Prejudice among All Whites	(1)	(2)	(3)	(4)	(5)	(6)
	B. Control for School Quality Added					
Average	.043 (.038)		.108 (.024)	.017 (.035)		
Marginal		-.187 (.068)	-.295 (.051)	-.158 (.060)		
10th percentile					-.025 (.260)	-.287 (.155)
Median					-.055 (.063)	.017 (.038)
90th percentile					.067 (.032)	-.004 (.022)
Fraction black				-.188 (.061)		-.321 (.060)
White-black pupil/ teacher ratio	.266 (.105)	.048 (.104)	.063 (.069)	.032 (.055)	.281 (.117)	.011 (.083)
States	18	18	18	18	18	18
R^2	.30	.49	.79	.88	.47	.84

NOTE.—Panel A of the table restricts the sample to the 17 southern states plus Missouri, the set of states for which Card and Krueger (1992) collected school quality measures. Panel B also restricts to the same 18 states and adds a control for the white-black pupil/teacher ratio in the state as reported in Card and Krueger's study. The mean of the black-white wage gap across states is -0.123 , and the standard deviation is $.044$.

TABLE 6
 TWO-STAGE LEAST SQUARES ESTIMATES USING FRACTION BLACK IN 1920 AS AN
 INSTRUMENT
 Dependent Variable: Residual Black-White Wage Gap in Market

Measure of Prejudice among All Whites	(1)	(2)	(3)	(4)	(5)	(6)
Average	-.036 (.030)		.127 (.033)	.070 (.044)		
Marginal		-.204 (.044)	-.401 (.063)	-.251 (.102)		
10th percentile					-.212 (.180)	-.309 (.128)
Median					-.006 (.062)	.010 (.044)
90th percentile					.016 (.029)	.016 (.021)
Fraction black				-.175 (.094)		-.367 (.055)
State	45	45	45	45	45	45
R^2	.03	.40	.50	.57	.05	.54

NOTE.—The table reports coefficients (standard errors) from two-stage least squares regressions of residual state-level black-white wage gaps on various measures of prejudice among all whites. Fraction black in the state estimated in the 1920 Census is used as an instrument for the contemporaneous fraction black, and an alternative marginal based on the fraction black in 1920 is used as an instrument for the contemporaneous marginal. The mean of the black-white wage gap across states is -0.123 , and the standard deviation is $.044$.

TABLE 7
ESTIMATED EFFECT OF PREJUDICE OF WHITES AND WORKPLACE SEGREGATION ON BLACK-
WHITE RELATIVE WAGES
Dependent Variable: Residual Black-White Wage Gap in Market

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Workplace integration*	-.224 (.093)	-.226 (.092)	-.113 (.079)	-.041 (.077)	-.102 (.074)	-.252 (.101)	-.172 (.071)
Average		-.037 (.028)		.092 (.031)	.029 (.036)		
Marginal			-.196 (.041)	-.315 (.055)	-.150 (.077)		
10th percentile						-.083 (.177)	-.199 (.123)
Median						-.066 (.063)	-.035 (.044)
90th percentile						.032 (.028)	.027 (.020)
Fraction black					-.183 (.064)		-.287 (.043)
Observations	45	45	45	45	45	45	45
R^2	.12	.15	.43	.53	.61	.18	.62

NOTE.—Measure of workplace integration is estimated from white respondents' answer to a question in NELS-88 about racial makeup of coworkers. See the text for details. The mean of the black-white wage gap across states is -0.123 , and the standard deviation is $.044$.

* Average number of nonwhite coworkers of white workers in a state.

Beauty, Self-Assessed Productivity and Realized Productivity

1. Performance in practice round:

- Affects own predicted performance
- Predicts actual performance

2. Participants have private information about their own ability:

- Notice that actual 'predicts' estimated performance

3. Beautiful people:

- Believe they will be significantly more productive.
- But they are not.

4. Causality:

- Are these relationships causal?
- Relevance of causality here?

TABLE 3—THE IMPACT OF PRACTICE PERFORMANCE AND BEAUTY ON MAZE SOLVING ABILITY AND CONFIDENCE

Variable	LNACTUAL		LNESTIMATED		
	(1)	(2)	(3)	(4)	(5)
AGE	0.081 (0.065)	0.038 (0.064)	0.181* (0.074)	0.018 (0.060)	0.018 (0.060)
AGE * AGE	-0.002† (0.001)	-0.001 (0.001)	-0.003* (0.001)	0.000 (0.001)	0.000 (0.001)
MALE	0.331** (0.086)	0.303** (0.081)	0.221* (0.097)	0.015 (0.080)	0.015 (0.081)
UNIVERSITY2	-0.113 (0.143)	-0.088 (0.139)	-0.026 (0.163)	0.035 (0.127)	0.036 (0.128)
UNIVERSITY3	0.042 (0.201)	0.115 (0.197)	-0.358 (0.229)	-0.183 (0.179)	-0.184 (0.180)
INTERNET	0.158† (0.083)	0.136† (0.080)	0.089 (0.094)	0.042 (0.074)	0.042 (0.075)
TEAMSPORT	0.062 (0.088)	0.054 (0.085)	0.133 (0.101)	0.127 (0.078)	0.128 (0.079)
PREVJOBS	0.057 (0.037)	0.052 (0.036)	0.012 (0.042)	-0.003 (0.033)	-0.003 (0.033)
LNACTUAL				0.177* (0.078)	0.177* (0.079)
LNPROJECTED		0.160** (0.054)		0.429** (0.051)	0.429** (0.051)
BEAUTY	-0.034 (0.042)		0.162** (0.048)	0.135** (0.038)	0.133** (0.051)
BEAUTY * MALE					0.002 (0.075)
<i>N</i>	163	163	163	163	163
<i>R</i> ²	0.323	0.362	0.304	0.587	0.587

Significance levels: †: 10 percent; *: 5 percent; **: 1 percent. The dependent variable is LNACTUAL in columns (1) and (2) and LNESTIMATED in columns (3), (4), and (5); standard errors are shown in parentheses. The base university is UNIVERSITY1. All regressions include the following additional resume controls: choice of college major, hobby variables, and previous job market experience.

TABLE 4—GROSS AND DECOMPOSED BEAUTY PREMIA IN TREATMENTS (B) TO (FTF)

Variable	Gross beauty premia				
	(B)	(V)	(O)	(VO)	(FTF)
AGE	0.009 (0.047)	0.007 (0.042)	-0.014 (0.038)	0.088* (0.040)	-0.121* (0.048)
AGE * AGE	0.000 (0.001)	0.000 (0.001)	0.000 (0.001)	-0.002* (0.001)	0.002* (0.001)
MALE	0.050 (0.071)	0.069 (0.064)	0.130* (0.057)	0.180** (0.059)	0.083 (0.071)
LNPROJECTED	0.403** (0.043)	0.397** (0.038)	0.407** (0.035)	0.375** (0.036)	0.372** (0.043)
LNACTUAL	-0.038 (0.063)	0.010 (0.057)	-0.014 (0.051)	0.095† (0.056)	-0.017 (0.064)
BEAUTY	0.017 (0.040)	0.131** (0.042)	0.129** (0.034)	0.124** (0.036)	0.167** (0.043)
SETWAGE	-0.010 (0.055)	-0.072 (0.052)	0.098* (0.046)	-0.046 (0.048)	0.033 (0.057)
SETWAGE * BEAUTY	-0.058 (0.057)	-0.099† (0.053)	0.005 (0.048)	0.022 (0.050)	-0.044 (0.058)
<i>N</i>	163	161	163	162	163
<i>R</i> ²	0.61	0.696	0.751	0.776	0.605

Decomposed beauty premia with worker confidence

Variable	(B)	(V)	(O)	(VO)	(FTF)
AGE	0.011 (0.048)	-0.002 (0.043)	-0.023 (0.036)	0.081* (0.039)	-0.138** (0.046)
AGE * AGE	0.000 (0.001)	0.000 (0.001)	0.000 (0.001)	-0.001* (0.001)	0.002* (0.001)
MALE	0.052 (0.071)	0.054 (0.066)	0.120* (0.053)	0.173** (0.057)	0.085 (0.068)
LNPROJECTED	0.414** (0.053)	0.386** (0.046)	0.322** (0.039)	0.302** (0.044)	0.298** (0.050)
LNACTUAL	-0.033 (0.065)	0.014 (0.059)	-0.049 (0.050)	0.064 (0.055)	-0.046 (0.062)
BEAUTY	0.018 (0.042)	0.114* (0.045)	0.087* (0.034)	0.098** (0.037)	0.121** (0.043)
SETWAGE	0.052 (0.207)	0.106 (0.206)	0.059 (0.151)	-0.023 (0.176)	0.555** (0.207)
SETWAGE * BEAUTY	-0.053 (0.058)	-0.088 (0.055)	0.022 (0.046)	0.013 (0.051)	0.002 (0.058)
LNESTIMATED	-0.004 (0.098)	0.100 (0.094)	0.205** (0.064)	0.186** (0.068)	0.328** (0.097)
SETWAGE * LNESTIMATED	-0.034 (0.110)	-0.094 (0.108)	0.025 (0.078)	-0.009 (0.091)	-0.282** (0.107)
<i>N</i>	163	161	163	162	163
<i>R</i> ²	0.611	0.700	0.783	0.796	0.647

TABLE 5—CONTRIBUTION OF CONFIDENCE CHANNEL TO GROSS BEAUTY PREMIUM IN TREATMENTS O, VO, AND FTF

Treatment	Beauty premium (controlled for confidence)	Confidence channel	Gross beauty premium
O	8.7	2.6	12.8
VO	9.8	2.4	12.3
FTF	12.1	4.3	16.7

Notes: The entries are wage increases in percentage points for each one-standard-deviation increase in beauty. They are calculated using the estimated coefficients in Tables 3 and 4. SETWAGE is assumed to be zero.

TABLE 6—ESTIMATION OF FULL EMPIRICAL MODEL

Variable	(1)
LNPROJECTED	0.409** (0.043)
LNPROJECTED * VISUAL	0.007 (0.059)
LNPROJECTED * AUDIO	-0.129* (0.059)
LNPROJECTED * VISUAL * AUDIO	0.056 (0.084)
LNPROJECTED * FTF	-0.069 (0.060)
LNACTUAL	-0.004 (0.027)
BEAUTY	-0.010 (0.031)
BEAUTY * VISUAL	0.094* (0.043)
BEAUTY * AUDIO	0.103** (0.035)
BEAUTY * VISUAL * AUDIO	-0.097† (0.050)
BEAUTY * FTF	0.052 (0.035)
LNESTIMATED	0.018 (0.065)
LNESTIMATED * VISUAL	0.034 (0.083)
LNESTIMATED * AUDIO	0.265** (0.083)
LNESTIMATED * VISUAL * AUDIO	-0.056 (0.117)
LNESTIMATED * FTF	-0.116 (0.083)

Mobius and Rosenblat, 2006