The Idea of Statistical Discrimination and the Rationalization of Stereotypes

The theory of statistical discrimination continues to be one of the dominant social scientific frameworks for understanding discrimination in labor markets. The extant literature has typically treated statistical discrimination theory as a model that merely explains employer behavior. In contrast, this article contends that the idea of statistical discrimination, rather than simply providing an explanation, can increase the extent to which decision makers view social stereotyping as rational and acceptable and thus help rationalize and justify discriminatory decisions. Two preregistered vignette experiments involving participants with managerial experience show that exposure to statistical discrimination theory—especially when it is presented in an uncritical manner—strengthens decision makers’ belief in the accuracy of stereotypes, their acceptance of stereotyping, and their likelihood of engaging in discrimination on the basis of observable group characteristics. These findings suggest that theories of discrimination and the language associated with them can rationalize, or question the rationality of, stereotypes and discrimination and, as a result, shape the attitudes and actions of decision makers.

Bio
András Tilcsik is an Associate Professor of Strategic Management and holds the Canada Research Chair in Strategy, Organizations, and Society at the University of Toronto’s Rotman School of Management. His research focuses on organizations, occupations, and work, and he is particularly interested in the causes and consequences of inequality in labor markets and the workplace. This line of his research has appeared in the American Journal of Sociology, the American Sociological Review, and the Administrative Science Quarterly and has been recognized with several awards from the American Sociological Association, including the W. Richard Scott Award for Distinguished Scholarship and the Granovetter Award for Best Article in Economic Sociology. His book Meltdown (New York: Penguin Press, 2018), coauthored with Chris Clearfield, explores the enduring insights of organizational sociologist Charles Perrow and received the National Business Book Award, the Academy of Management’s George R. Terry Book Award, and the Bracken Bower Prize, and was named one of the books of the year by the Financial Times.