NEW REPORT: Do anti-discrimination policies work?

A majority of the population of the EU views discrimination as being widespread. A new IZA World of Labor report shows that anti-discrimination policies that rely on a punitive approach are not sufficient to combat discrimination. New research is shedding light on the impact of interventions that aim to reduce prejudices.

Discrimination is a complex, multi-factor phenomenon. Evidence shows widespread discrimination on various grounds, including ethnic origin, sexual orientation, gender identity, religion or beliefs, disability, being over 55 years old, or being a woman. The economist Marie-Anne Valfort of the Paris School of Economics cites recent evidence that seems to indicate a mix of policies could be the solution to reducing discrimination in the labor market.

According to Valfort the punitive approach in regards to discrimination policies is necessary but not sufficient to combat discrimination. This approach consists of legally banning discrimination on various grounds as well as developing means of identifying discrimination in order to enforce the threat of sanction. Yet proving discrimination is much easier for victims once they are hired rather than at the hiring stage, therefore punitive laws may also compromise the chances of minority groups being recruited in the first place, due to employers' fear of litigation for terminating their contracts. For instance, a US anti-discrimination law, the Americans with Disabilities Act (ADA), has had a negative impact on the employment of the targeted minority.

Valfort cites recent research looking at how inclusive laws change individuals' perception of social acceptance of groups at risk of discrimination. For example, a study investigated reactions to the June 2015 US Supreme Court ruling in favor of same-sex marriage nationwide. Participants were invited to read a brief article about the likely outcome of the upcoming Supreme Court ruling: they were randomly assigned to read either a positive version, titled "Supreme Court likely to rule in favor of gay marriage," or a negative one, titled "Supreme Court unlikely to rule in favor of gay marriage." The results show that institutional decisions shape individuals' perception of social norms: participants who read the positive article perceived Americans' current support for gay marriage to be significantly higher, compared with those who read the negative version.

According to the author this and other studies seem to indicate that anti-discrimination policies that rely on a punitive approach must be complemented by policies that specifically target (i) taste-based discrimination (prejudice), through the enactment of inclusive laws and prejudice-reducing interventions, (ii) statistical discrimination, through, for instance, the increase in fathers' share of parental leave (for a better inclusion of women) and the creation of hiring subsidies (for a better inclusion of other discriminated groups), and (iii) cognitive biases combined with attention-based discrimination, through the use of HR analytics.

Valfor suggests: ""A mix of policies could be the solution to reducing discrimination in the labor market...In particular, policymakers should thoroughly address prejudice (taste-based discrimination), stereotypes (statistical discrimination), cognitive biases, and attention-based discrimination..."

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Notes for editors:

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