

Americans vastly overestimate progress toward racial economic equality

September 19 2017, by Mike Cummings



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Americans appear profoundly unaware of the vast economic inequality that persists between black and white Americans in contemporary society, according to a new study by researchers at Yale University.

The study, published in the Proceedings of the National Academy of the Sciences, finds that people tend to overestimate societal progress in reducing race-based economic inequality in the country. This misperception is largely driven by a tendency to view greater racial economic equality today than federal statistics show actually exists, the researchers assert.

"Our findings suggest that Americans tend to be too optimistic about the scope of [racial progress](#) in the United States, specifically in the domain of [economic outcomes](#)," said Jennifer A. Richeson, the Philip R. Allen Professor of Psychology at Yale and co-author of the report.

"Unfounded optimism of this sort is likely to hinder efforts to reduce racial economic inequality, or even discover its causes. People will not attempt to solve problems that they are either unaware of or believe do not exist."

Over four studies, white and black Americans from across the income spectrum, reported their perceptions of the degree of racial equality that currently exists and existed in the past on five economic indicators: hourly wages of college graduates, hourly wages of high school graduates, household [wealth](#), household income, and employer-provided health benefits. The researchers weighed participants' estimates against federal data and found that average estimates of current levels of racial economic equality exceeded reality by roughly 25%.

Contrary to participants' perceptions, federal data reveals persistent disparities between black and white Americans on most economic outcomes and a particularly stark racial disparity in wealth. Specifically, according to federal statistics, for every \$100 of wealth accumulated by a white American family, a black American family has just over \$5—a gap that is just as wide as it was 50 years ago.

High-income white Americans were more likely to overestimate racial

economic equality compared to both low-income white Americans and black Americans across all income levels, according to the researchers. They also found that people's belief that society is just and fair predicted their tendency to overestimate racial economic equality.

"People want to live in a society where things operate in a fair and just way—that is the dominant national narrative regarding racial progress in the United States," said Michael Kraus, assistant professor of organizational behavior at Yale School of Management and a co-author of the paper. "Instead of engaging with all of the problems inherent in a system that has a massive wealth gap, people will adjust their beliefs to accommodate a more comfortable narrative. It is simply easier to believe the wealth gap doesn't exist or that it exists only due to factors like individual merit or effort."

Follow-up experiments revealed that inducing white participants to think about black individuals and families who are similar to themselves and their own families increased their tendency to overestimate racial economic equality. Inducing white participants to consider the salience of societal racial discrimination, on the other hand, reduced their tendency to overestimate racial economic [equality](#).

The researchers note that their results suggest a need for scholarship and public policy debates to explicitly consider how economic outcomes continue to be patterned by race and, by extension, the continuing role of structural and other forms of racial discrimination in the creation of these race-based economic disparities.

More information: Michael W. Kraus et al. Americans misperceive racial economic equality, *Proceedings of the National Academy of Sciences* (2017). [DOI: 10.1073/pnas.1707719114](https://doi.org/10.1073/pnas.1707719114)

Provided by Yale University

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