

# Anti-Asian discrimination cost Chinese restaurants \$7.4 billion during the pandemic's first year, new study finds

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At the onset of the COVID-19 pandemic, anti-China fervor stoked consumer discrimination that cost Chinese restaurants \$7.4 billion in lost

revenue in 2020—losses 18.4 percent greater than at other types of restaurants—according to a new study by researchers from Boston College, the University of Michigan, and Microsoft Research, published today in the journal *Nature Human Behaviour*.

The findings begin to put a finer point on the broad economic costs of anti-Asian discrimination during the pandemic and the role of politicians who focused blame on China, where the coronavirus emerged in late 2019, said study co-author and Boston College Assistant Professor of Political Science Masha Krupenkin.

Attitudes towards Chinese and non-Chinese Asian food declined precipitously during the pandemic and this change in attitudes was driven by a mix of assigning blame for COVID-19 spread to Asians and experiencing fear of Chinese food, Krupenkin and colleagues from the University of Michigan and Microsoft Research found.

"The COVID-19 pandemic originated in China," said Krupenkin. "Many actors in US politics and media, especially those that were ideologically conservative, emphasized the connection between COVID and China as a way of placing blame for the pandemic. At the same time, there was a sharp increase in incidents of discrimination and violence against Asian-Americans."

The pandemic effectively delivered a "shock" to consumer discrimination against Chinese and other Asian restaurants, [survey data](#), online search trends, and consumer cellular device mobility data studied by the team revealed.

"Our analysis estimates that COVID-related stigma and anti-Asian hate cost Asian American businesses \$7.42 billion in lost revenue in 2020, highlighting how negative sentiment towards foreign entities can spillover into consumer discrimination targeting domestic minority

groups," said co-author Justin T. Huang, an assistant professor of marketing at the University of Michigan. "These patterns echo how Muslim Americans faced widespread discrimination, hate, and stigma post-9/11 and exemplify how some American minority groups are perceived through the lens of the perpetual foreigner stereotype."

There were political aspects to the downturn in business, according to the team. A range of data found anti-Asian discrimination was stronger in areas that had a higher percentage of residents who voted for Donald Trump in 2016.

According to the organization Stop AAPI Hate, there were almost 11,000 hate incidents against Asian Americans and Pacific Islanders reported to the organization between March 2020 and December 2021.

"While there's been research on violence against Asian-Americans, most acts of discrimination are more subtle," said Krupenkin. "We set out to measure one of these more subtle forms of discrimination—consumer discrimination. This allowed us to examine a much more common—and economically meaningful—form of discrimination against Asian-Americans."

The team—which also included Julia Lee of the University of Michigan and David Rothschild of Microsoft Research—was surprised to find that anti-China bias among consumers also affected restaurants serving cuisine from other Asian cultures.

Consumers would sometimes misidentify other Asian restaurants as Chinese, leading to decreased visits to those restaurants as well.

"Trump and conservative media had very thoroughly connected COVID to China specifically, so it was surprising to see a decrease in visits to other Asian restaurants as well," Krupenkin said. "We tested this more

thoroughly and found that many Americans misidentify other Asian restaurants as Chinese, which likely explains the spillover effects we saw."

Parsing unique economic challenges faced by Asian Americans during the COVID-19 pandemic, the team believes the research has substantial implications for the study of consumer discrimination and stigmatization in public health communications.

Krupenkin said the researchers hope to further examine and connect patterns of [discrimination](#) to negative media narratives about specific groups.

**More information:** Justin Huang, The cost of anti-Asian racism during the COVID-19 pandemic, *Nature Human Behaviour* (2023). [DOI: 10.1038/s41562-022-01493-6](https://doi.org/10.1038/s41562-022-01493-6).  
[www.nature.com/articles/s41562-022-01493-6](https://www.nature.com/articles/s41562-022-01493-6)

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