Numbers, not narratives, remedy misperceptions of the racial wealth gap

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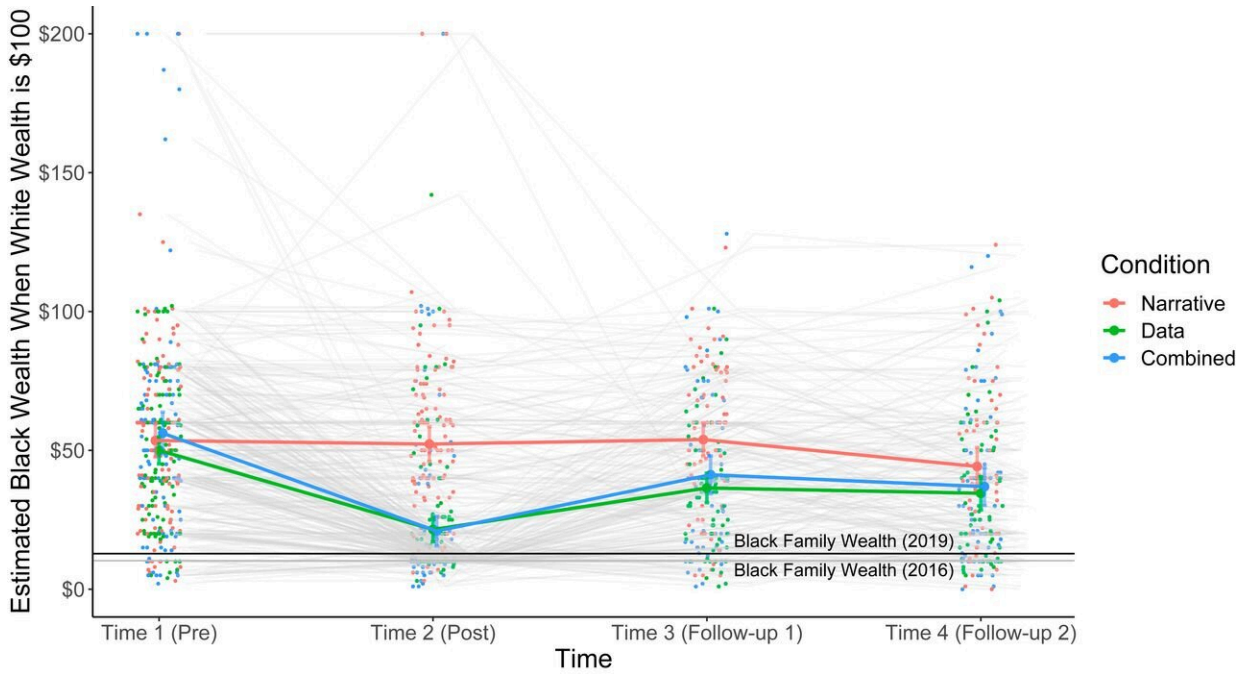

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The use of data is more effective than personal stories in helping people understand the magnitude and structural causes of the Black-white wealth gap in the United States, according to a new study by Yale researchers.

The study, published on Sept. 13 in the journal *Proceedings of the*

National Academy of Sciences, is based on an experiment showing that people are more likely to change their misperceptions of the racial wealth gap when presented messages featuring detailed data about economic disparities between Black and white Americans than when receiving interventions focused solely on narratives of individual struggle.

Many Americans either misperceive or don't know about substantial, longstanding wealth disparities between Black and white American families, the researchers explained. In 2019, Black families' average wealth was less than 15% of the average wealth of white families, according to a report by the Board of Governors of the Federal Reserve System. Yet, when asked about a wealth gap, survey respondents have estimated, on average, that Black families possess as much as $90 in wealth for every $100 owned by white families, according to a recent study conducted by many of the same researchers who authored this new paper.

To examine how best to promote realistic views of racial economic inequality, the researchers tested people's responses to three video interventions: one that highlighted data-based trends in Black-white wealth inequality, one that relied on a single personal narrative of economic hardship, and one that combined the two. The researchers found that the interventions incorporating data were more effective than the narrative in both shifting how people discuss the Black-white wealth gap—prompting less talk about personal achievement and overcoming adversity through personal struggle—and eliciting more accurate estimates of racial economic inequality in follow up surveys over the subsequent 18 months.

"We show that specific, relevant data about racial inequality, including the size of the Black-white wealth gap and its structural underpinnings, can help penetrate people's ignorance about racial economic inequality in

the United States," said Michael W. Kraus, an associate professor of organizational behavior at the Yale School of Management and co-author of the study. "In this context, the data are powerful because they force people to reconcile with systemic structures, including past and contemporary laws and policies, that cause the wealth gap. Whereas personal stories make people think about overcoming adversity through personal means, not the systemic reasons behind the inequality."

For the study, the researchers recruited 339 participants from the New Haven area. First, participants completed surveys that captured their views about racial economic inequality. Next, they were randomly exposed to one of three interventions. The data intervention provided participants with information on the disproportionate structural barriers facing Black families and the Black-white wealth gap, such as statistics on inequality in public education funding, racial differences in upward mobility, and racial disparities in home values due to redlining—discriminatory practices that prevented Black people from residing in certain neighborhoods. The personal narrative intervention relayed a true story of a Black youth facing severe structural hurdles, including eviction and financial insecurity, while attempting to go to college.

Immediately following the interventions, participants were asked a series of verbal questions intended to help them explain what they'd learned in the videos, connect the information to their own experiences, and consider policy responses. Then they completed a second survey that contained the same questions as the first, as well as two others soliciting their views on two potential policy responses to the Black-white racial inequality: a baby bonds program and a federal job guarantee. They were surveyed again two months later and a final time about 18 months after the intervention.

The results showed that the two interventions which provided data were

more effective than the personal narrative in shifting people's perceptions of the Black-white wealth gap to the point that these perceptions aligned better with federal statistics. Those who received the narrative intervention, which did not highlight structural racial inequality or the wealth gap, did not significantly lower their estimates of Black-white equality. The study found that the data interventions' effects persisted for up to 18 months, though they eroded over time. None of the interventions significantly affected people's views of the two policies options for reducing economic inequality, according to the study.

"The idea is to get people thinking about racial economic inequality more accurately and in a way that informs them about the racial wealth gap's impact," said study co-author Jennifer A. Richeson, the Philip R. Allen Professor of Psychology in the Faculty of Arts and Sciences. "The Black-white wealth gap isn't just a statistic; it impacts so many facets of the lives of Black Americans. When people have realistic perceptions of the racial wealth gap and its structural causes, we can start having productive conversations about how to address the problem."

More information: Bennett Callaghan et al, Testing the efficacy of three informational interventions for reducing misperceptions of the Black–White wealth gap, *PNAS* (September 21, 2021). doi.org/10.1073/pnas.2108875118

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