

Strategy: | The audit/correspondence strategy to measure discrimination

How it works: | The key idea of this strategy is to see whether employers, landlords, admissions committees, government officials, or public service providers respond differently to "auditors" who have very similar qualifications or have very similar requests or needs, but only differ in some attribute such as gender, race, ethnicity, religion, origin, disability status, or other attribute for which we want to measure discrimination. The auditors are sent to the employer, government official, or other entity, with some request, and the differences in response rates across auditors is a measure of discrimination against a group.

Average differences in employment rates between men and women, for example, reflect both "taste" discrimination and other factors that differ on average between men and women. The audit strategy separates out many of these other factors by forming pairs of people ("auditors") who are as similar as possible to each other but only differ in some attribute such as gender for which we want to measure discrimination. "Auditors" could also be nearly identical resumes or inquiry emails that differ only in the key attribute.

This strategy has been used to measure discrimination in employment, wages, housing, credit and consumer markets, and responsiveness of public officials.

Data gathering strategy: | Via sending out auditors in-person or requests by mail/e-mail and collecting responses (e.g., called for an interview or not, receive helpful email reply or not, rent/wage offered).

SDG goals this could be used for: | Target 16.5 for corruption
Target 16.6 for building effective, accountable, and inclusive institutions
Also relevant for SDG Goals 4, 5, 8, 10

Advantages: | Non-manipulable.
Behavioral measure.
May be low cost.

Disadvantages: | Can be difficult to distinguish between discrimination by the trait (e.g., gender) and discrimination by an unobserved characteristic (e.g., unreliability) whose distribution is assumed to differ by the trait (i.e. distinguishing "taste" from "statistical" discrimination).

References: | Pager, Devah. 2007. "The Use of Field Experiments for Studies of Employment Discrimination: Contributions, Critiques, and Directions for the Future." *Annals of the American Academy of Political and Social Science* 609 (1): 104–33.

Eva O. Arceo-Gomez and Raymundo M. Campos-Vazquez. 2014. "Race and Marriage in the Labor Market: A Discrimination Correspondence Study in a Developing Country." *American Economic Review: Papers & Proceedings* 104(5): 376-80.