Marketing Colloquia 2021 Fall ~ Presentation

Broderick Turner

Assistant Professor of Marketing Virginia Polytechnic Institute and State University, Department of Marketing

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12:00 PM to 1:10 PM JMHH 741 Conference Room (Colloquia will be held in person, on campus) **Zoom**: <u>https://upenn.zoom.us/j/99269815090</u>

RACISM AS A MARKET SYSTEM

TALK ABSTRACT: Talking about race and racial inequality without talking about racism and racial hierarchy misses the mark. Racism and the racial hierarchy create and maintain race and racial inequality. In this talk we will cover some findings from the Technology, Race and Prejudice (TRAP) lab, that consider racism as a market system that both alters individual motivations and shifts resources in preference for one racial group above others. The relationship between individual motivations and systemic resource differences can maintain racial inequality, even if it were possible to eradicate individual racial beliefs. We will go in depth on a recent paper which considers how racial hierarchy spurs Black parents, more than White parents, to seek top-performing schools for their children. These individual motivational differences at scale, produce segregation when parents have unmitigated school choice. This segregation persists, even if race and racial preferences were no longer considered. Finally, we will consider some possible future directions for research on racism as a market system.

SCHOOL CHOICE INCREASES RACIAL SEGREGATION EVEN WHEN PARENTS DON'T CARE ABOUT RACE

PAPER ABSTRACT: This research examines how school choice impacts school segregation. Specifically, this work demonstrates that even if we lived in a world where no one takes race into consideration in their school choice, Black and White differences in preferences for other school attributes can still result in segregation. We theorize that since Black and White parents exist within a racial hierarchy in the US, differences in group status position lead to differences in school preferences that affect social status change. Feeding these revealed preferences into a series of simulations highlights that even if parents do not intentionally seek schools with their own racial group, preference differences lead to 10.7% more segregated schools\text – the equivalent of over 6 million children in K-12 US schools. We find that under a regime of unmitigated school choice, school preference differences between Black and White parents that have nothing to do with race can still increase racial segregation. However, if these parents had similar preferences, unmitigated school choice would reduce racial segregation. This research may inform public policy concerning school segregation and school choice.

