Discrimination as Retaliation: Past Experiences and the Dynamics of Discrimination*

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September 29, 2025

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Abstract

Discrimination remains pervasive, but little is known about how past experiences of discrimination shape future discriminatory behavior, and hence the dynamics of discrimination. This paper introduces and empirically documents retaliatory discrimination, whereby individuals are more likely to discriminate against a group after perceiving past discrimination from that group. Guided by a theoretical framework that models retaliatory discrimination alongside taste-based and statistical discrimination, I conduct experiments with refugees in Uganda and men in the United States. These provide empirical support for retaliatory discrimination, driven by motivated beliefs, while ruling out other mechanisms. The 78% increase in discrimination after a negative past experience is driven by an increase in the number of discriminators, rather than the intensity of discrimination. I experimentally show that retaliatory discrimination can generate unintended consequences when affirmative action policies are removed, as well as providing a micro-foundation for anticipated discrimination and the formation of discriminatory tastes. Finally, I discuss and experimentally evaluate a novel mitigation strategy designed to reduce retaliatory discrimination by highlighting the salience of future rounds.

JEL codes: C91, C93, J71