

# Gov52 Final Project: Replication of “Economic Reasoning with a Racial Hue: Is the Immigration Consensus Purely Race Neutral?”

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## Introduction

### Original Paper Overview

“Economic Reasoning with a Racial Hue: Is the Immigration Consensus Purely Race Neutral?” by Newman and Malhotra [1] is an in depth look at native US citizen’s views on immigration. Specifically, it is concerned with a concept called the “skill premium”, which is the preference that native citizens have for high skill workers, such as doctors, scientists, and engineers over low skill workers without a higher education. The paper states that prior research has shown that in immigrant receiving nations [2][3], this skill premium is present, irrespective of the immigrants nationality, race, or religion, and irrespective of the respondents economic position, partisanship, and personal prejudices.

This is a surprising result, as one would expect that personal views on immigration would be driven by one’s own position in the labor market, wanting immigrants that wouldn’t compete with them for jobs. However, there seems to be a consensus that high skilled immigration is better for the receiving country, trumping all other cultural and ethnic prejudices. This paper seeks to test the idea that the skill premium given to immigrants is race neutral. Specifically, in America it looks at aversion to Latino immigration, the most prevalent group in the US who mostly work at low-skill jobs. The paper subjects this race neutral assumption to a series of “critical tests”, looking at how a variety of factors such as prejudice and income influence how a person gives a skill premium to a specific individual.

- Critical Test 1 - Does racial prejudice condition the skill premium? In other words, how do individuals with a high level of prejudice view low and high skilled immigrants from different countries.
- Critical Test 2 - Do preexisting sociotropic beliefs about skill condition the skill premium? How do preexisting beliefs about high vs. low skilled immigrants impact someone’s view on a particular low vs. high skilled immigrant from different countries.
- Critical Test 3 - Does providing information about the value of low-skilled immigrant workers attenuate the skill premium? If you show people how low-skilled immigration is actually good for the country, how do their views change?
- Critical Test 4 - Does manipulating skill also manipulate cultural attributes? How do respondents view an immigrant, independent of their assumption on how well they can assimilate.

This paper concludes that while it can replicate the existence of the skill premium, it doesn’t find the same race neutrality as previous research. Specifically, critical test 1 fails, as the data shows that those with higher levels of prejudice value high skilled immigrants more than those with low levels of prejudice. Specifically, they care more about whether a hypothetical immigrant from Mexico is high skilled than they do for majority white countries, while those with low prejudice afford the same skill premium to all immigrant, independent of country of origin.

## Our Replication

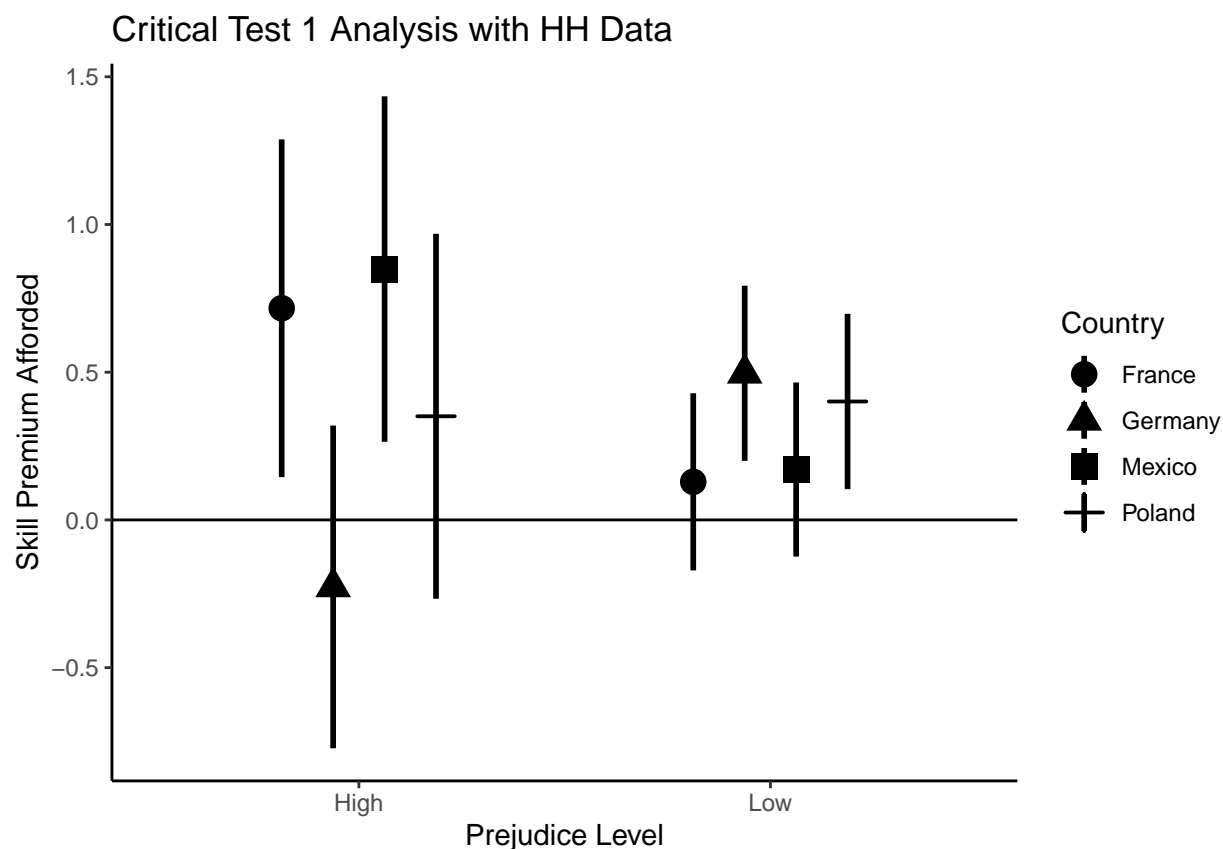
In our replication project, we work with 3 different data sets. The first is data collected by Hainmueller and Hopkins, a paper that confirms the existence of the skill premium. The authors use this data to test for racial bias not initially looked at in the original paper. The second two datasets are from original experiments designed by Newman and Malhotra, one conducted through Amazon's Mechanical Turk and the other through Survey Sampling International. The surveys are all constructed in similar ways, asking respondents how likely they are to admit a particular individual based on that immigrant's country of origin, job, gender, age, education, ect.

The code provided proved largely unhelpful, as none of the meaningful code is written in r, and infact is written in a language I have thus be unable to identify. It does provide information on what the variables represent, but beyond that much of the analysis in this paper is done independent of their done in their code.

We perform ordinary least squares regressions as is done in the original paper. We look at the likelihood of accepting an immigrant as a function of that immigrant's skill, with the respondents subset by their prejudices and immigrants subset by their country of origin. We focus on the results of critical tests one and two, since these are the tests that challenge the race neutral assumptions of previous literature.

## Critical Test 1 - Reproduction with Hainmueller and Hopkins data

We first seek to reproduce the results of figure 1, which shows that in the Hainmueller and Hopkins data, there is evidence of racial bias for the skill premium in high prejudice individuals. We run a ordinary least squares regression for different subsets of the population for admitting an immigrant as a function of that immigrants characteristics, and look at the coefficient of the immigrants skill (i.e. how much being a high skill immigrant impacts their chance of the respondent approving them). We define an individual as having high prejudice as someone who responded below 50 on survey question 5, a question designed to evaluate their prejudice against latino immigrants.

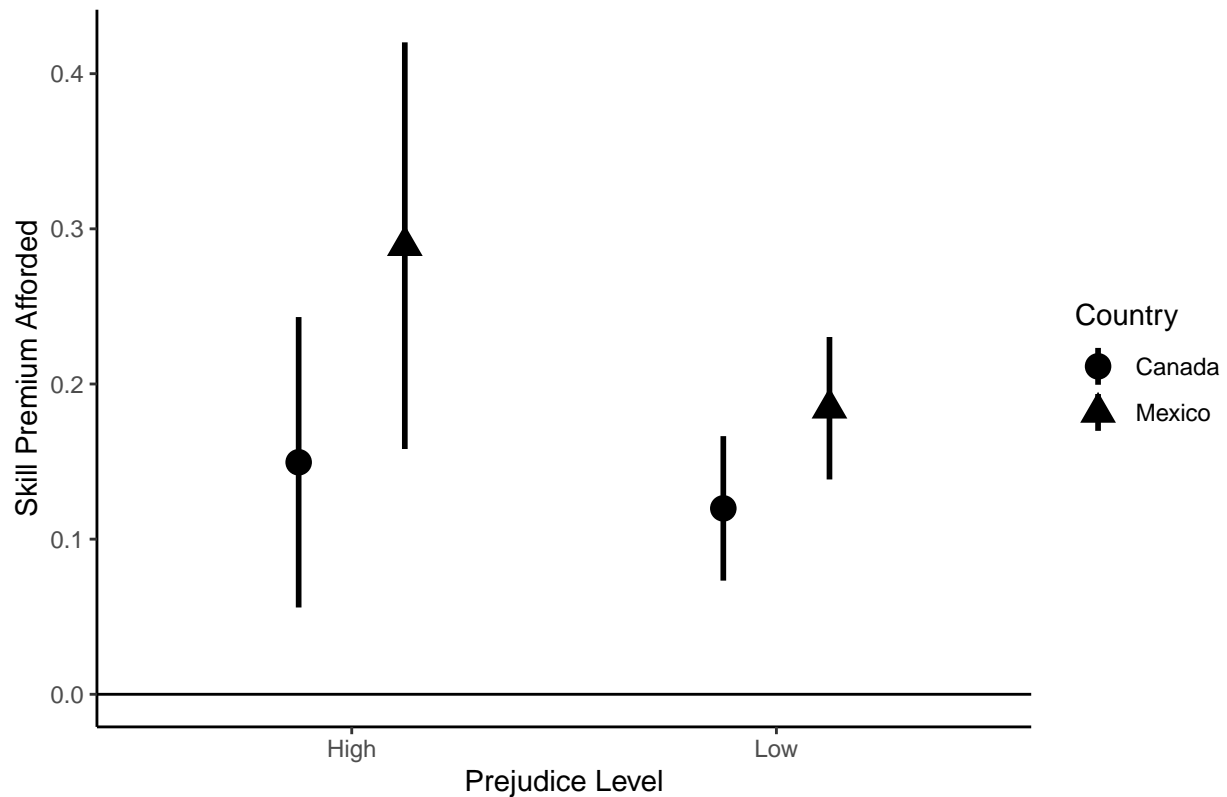


While our models return different coefficients than the original paper, the end analysis is the same, in that prejudice against Mexican immigrants confers a higher skill premium. In other words, those with aversions to Latino immigrants care more about that immigrant's skill level when deciding whether they support them immigrating, more so than low prejudice individuals. Furthermore, this result is statistically significant, with 95% error bars shown on the graph. For white majority countries, this result is not statistically significant, with the trend being the opposite for Germany.

## Critical Test 1 with Mechanical Turk Data

The mechanical turk data was the first dataset collected by the researchers. It operates similarly to the Hainmueller and Hopkins survey, with respondents being asked to report the likelihood of approving of an individual's immigration depending on that individual's country of origin, skill level, and other factors. We define low and high prejudice individuals based on their average of survey questions that asked their opinions on hispanics being "intelligent, illegal, lazy, and violent", with the bottom 50% of individuals being identified as high prejudice and the rest low. We then run similar regressions as those in the previous section.

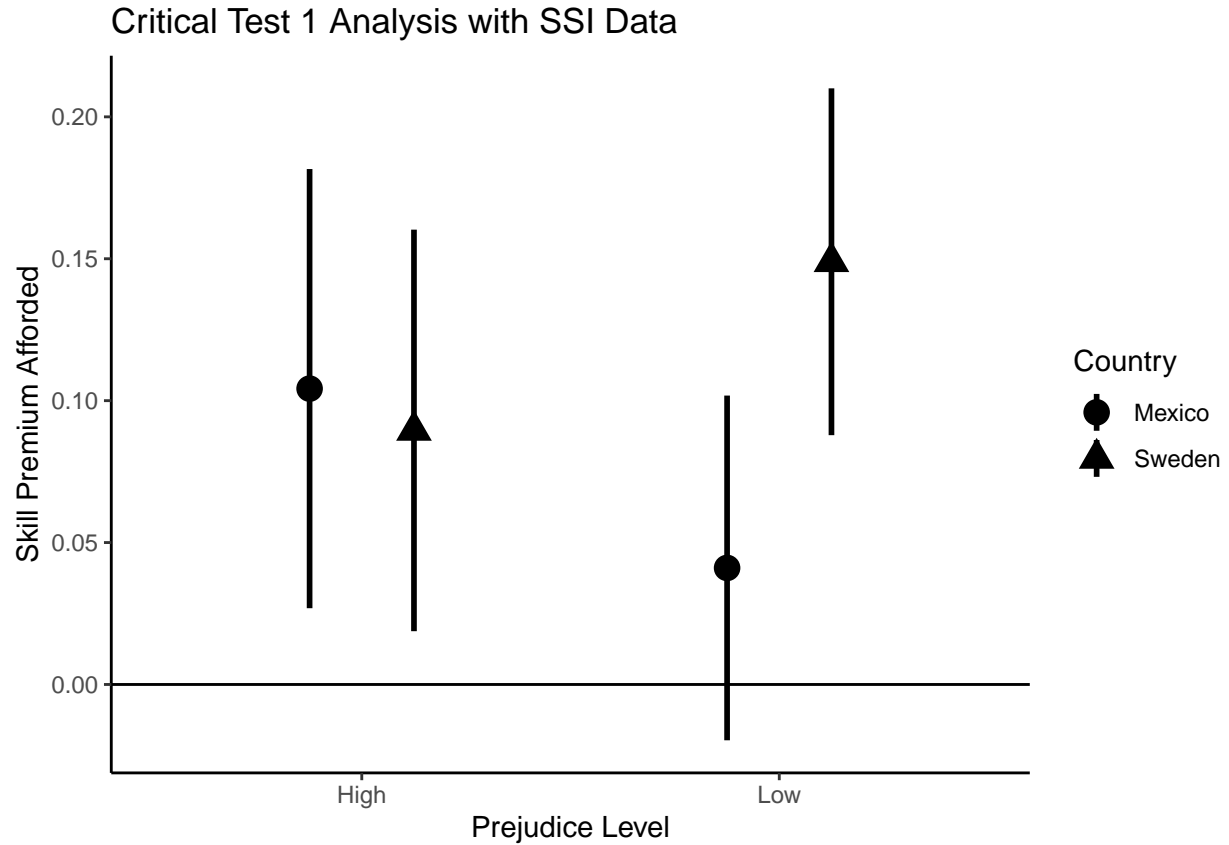
### Critical Test 1 Analysis with Mechanical Turk Data



We confirm the results of the original paper, showing that those with high levels of prejudice against hispanics afford a higher skill premium to Mexican immigrants than they do white immigrants. While we don't reach the levels of significance of the original paper since we have overlapping error bars, the trend is at least directionally the same. We also reach significance in the amount of skill premium places on immigrants of different countries by individuals in the same population pool.

### Critical Test 1 with Survey Sampling International Data

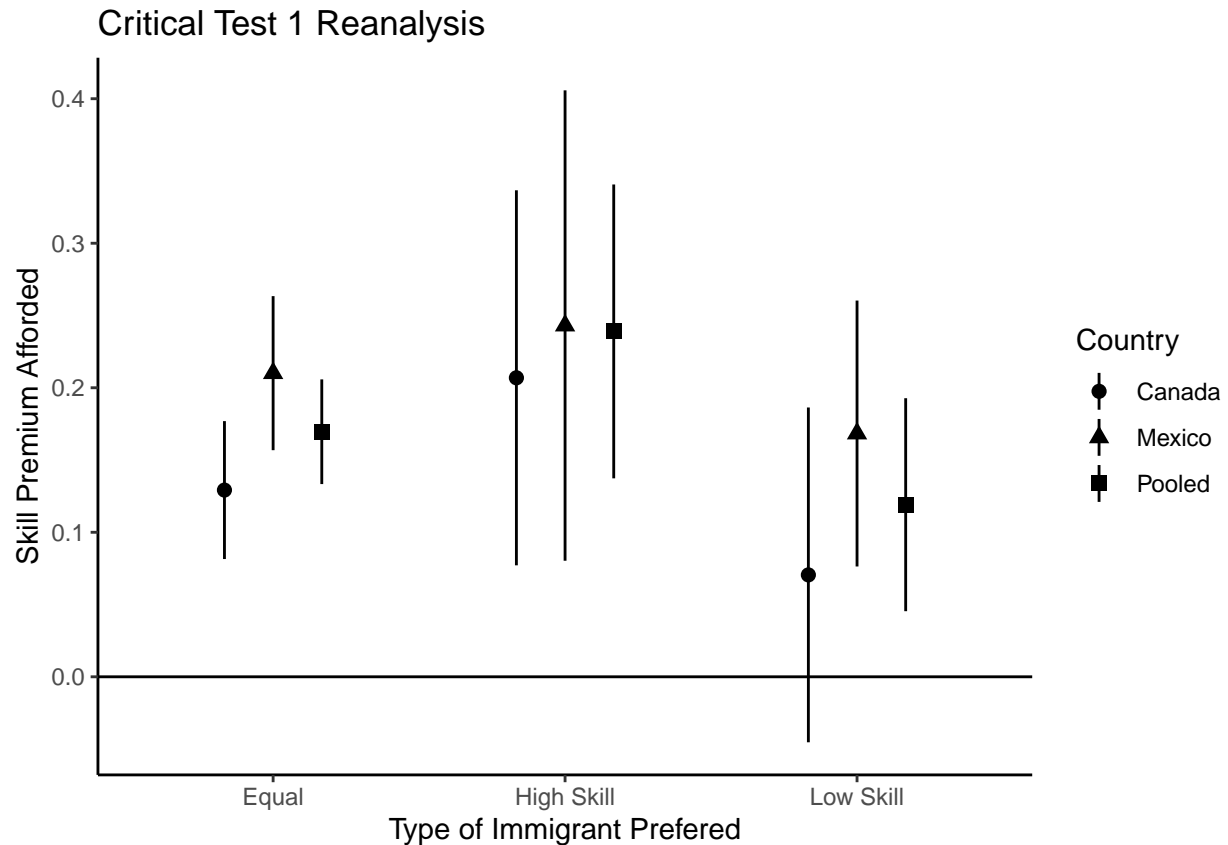
The analysis done here is largely the same as above but with a different set of data gathered later by the researchers. This data set was collected to affirm the results of the mechanical turk data, and to ask additional questions relevant to critical test 4.



The results here are consistent with the results derived in the original paper. We see the same trend with high prejudice individuals having a higher skill premium for mexican immigrants than low prejudice individuals. This result continues to challenge the race neutral assumptions of previous literature.

## Critical Test 2 with Mechanical Turk Data

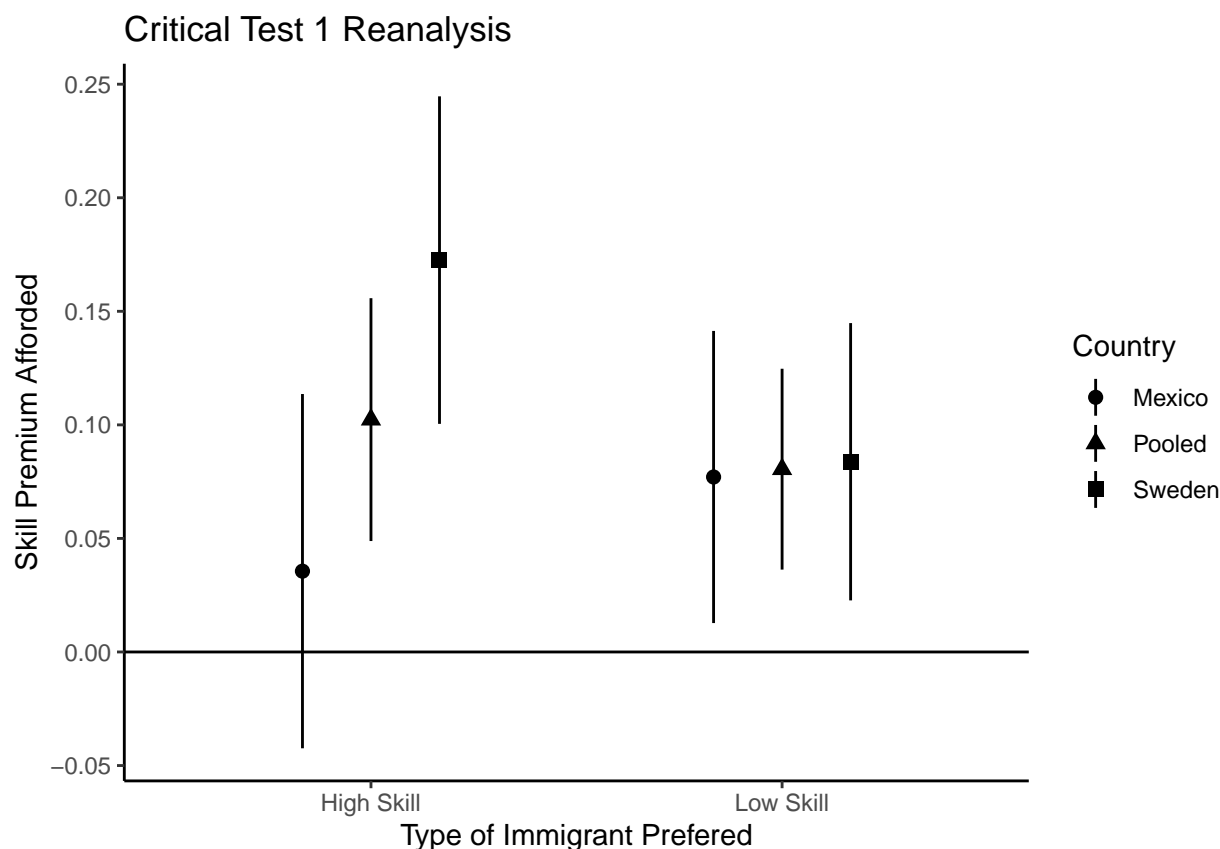
For critical test 2, we segment respondents by their belief on whether the see believe high or low skill immigrants are better (or if they see them equally). Here, we are looking for the same evidence of higher levels of a skill premium for Mexican immigrants compared to white Canadian immigrants.



We again confirm the results of the original paper. Among all groups, the highest skill premium is given to Mexican immigrants, meaning across all groups they care most about Mexicans being high skill than Canadian immigrants. Additionally, even the group that says they prefer low skilled immigrants still affords a significant skill premium to all immigrants. This further supports the papers conclusion that Americans have a higher skill bar for Latino immigrants than they do for white immigrants, challenging the race neutral conclusions of previous papers.

## Critical Test 2 with SSI Data

Here, we repeat the above analysis but with the SSI data.



In this analysis, we reach the same results as the original paper, in which the results from the regression show the opposite of what is shown in the original paper, in that a lower skill premium is afforded for Mexican immigrants. However, the original paper completely ignores this result, not mentioning the results of this regression at all. This raises some red flags for me, as while these results still show that there is a racial component to the skill premium, this model has the opposite conclusion that the authors have in that respondents require a higher level of skill from white immigrants.

## Conclusion

### Results of the replication

We found in our replication of the original authors results that we largely agree with the conclusion they reached. There is a rather clear ethnic component in the skill premium, with it seeming that prejudices against low skilled Latino immigrants has caused Americans to give consider skill more for that group then they do with immigrants from majority white countries. However, while the results in both 3B of the original paper and our analysis of critical test 2 with the ssi data both show that the bias is in the opposite direction, it still demonstrates a racial bias, inconsistent with the arguments in previous papers.

### Possible extensions

The data sets gathered by the studies conducted by the authors offer opportunities to study prejudice beyond it's effects on the skill premium. It would be interesting to look at prejudice as a function of education and income, and look at the interplay of these variables and how an individual evaluates a given individual. Also, investigating whether there other "premiums", such as with age or gender. These analysis could offer

an interesting perspective on how Americans evaluate immigrants, which could impact political messaging, legislation, and education.

## References

1. Newman, Benjamin J. and Malhotra, Neil. 2019. “Economic Reasoning with a Racial Hue: Is the Immigration Consensus Purely Race Neutral?” *The Journal of Politics* 2019 81(1), 153-166
2. Hainmueller, Jens, and Daniel J. Hopkins. 2015. “The Hidden American Immigration Consensus: A Conjoint Analysis of Attitudes toward Immigrants.” *American Journal of Political Science* 59 (3): 529–48.
3. Wright, Matthew, Morris Levy, and Jack Citrin. 2016. “Public Attitudes toward Immigration Policy across the Legal/Illegal Divide: The Role of Categorical and Attribute-Based Decision-Making.” *Political Behavior* 38 (1): 229–53.