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Ageism, honesty, and trust

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ABSTRACT

Age-based discrimination is considered undesirable, yet we know little about age stereotypes and their effects on honesty and trust. To investigate this aspect of ageism, we presented older adults (over age 50) and younger adults (under age 25) with incentivized belief elicitation tasks about anticipated interaction behaviors and then a series of same, different, and unknown-aged group interactions in a strategic-communication game. All adults shared consensual stereotypes about uncooperative younger adults and cooperative older adults that demonstrated "wisdom of crowds". While the out-group was consistently stereotyped as relatively different and more dishonest and suspicious than observed to be, the in-group was neither consistently stereotyped more accurately nor treated with more honesty and trust. Younger adults earned more by acting dishonestly with older adults and older adults earned less by trusting younger adults (despite stereotyping them as dishonest). We discuss how ageism is relevant to intergenerational cooperation in an aging society.

1. Introduction

Age is a natural category used for social recognition and informing the choice of behavior. Both implicit and explicit age-associated cues automatically prime younger and older adults' ageist stereotyping and behaviors (Meisner, 2012). While stereotyping[1] and discrimination based on age have been portrayed as mostly problematic, the link between beliefs and behaviors has not been well explored. We consider whether ageist stereotypes and behaviors might economically help or harm people and evaluate expectations from the literature. Our experimental approach used incentivized belief elicitation tasks and strategic-communication games that identified interaction partners according to age group membership. This allowed us to measure the relative accuracy of age stereotypes held by younger and older adults and evaluate the economic impact of those stereotypes and their discriminant effects on behavior.

Stereotypes about age-groups have been shown to negatively affect interactions between adults (Bargh, Chen, and Burrows, 1996; McConnell and Leibold, 2001), providing emotional (Levy, Ashman, and Dror, 1999–2000) and physiological distress (Levy et al., 2000). Age-based attributions have been associated with under-valuation of older adults applying for jobs (Finkelstein, Burke, and Ragu, 1995; Bendick, Brown, and Wall 1999), and result in perceptions and experiences of hiring and workplace discrimination against members of those age groups (Gregory, 2001; Snape and Redman, 2003). These practices and experiences impose costs on society and firms: Medicare and special programs targeting older people amount to approximately $300 billion in costs annually while opportunity costs and litigation costs associated with older worker employment discrimination total over $60 billion annually (PIU, 2000; Palmore, 2005).

While it has been implied that age stereotypes are harmful because they are unjustified or inaccurate, Jussim's (2012) comprehensive review of the stereotype literature notes (p. 282) that most stereotype studies have provided "virtually no evidence demonstrating accuracy (see review by Brigham, 1971, Mackie, 1973; Ryan, 2002)". Though age discrimination has been a topic of research for experimental economists (Holm and Nystedt, 2005; Charness and Villeval, 2009), the accuracy and impact of age

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[1] We define stereotypes as "beliefs about the personal attributes of a social group" (Ashmore and Del Boca, 1981).

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stereotypes and their link to discrimination has not yet been directly addressed in economic experiments. To address this understudied topic, we invited younger and older adults to the laboratory to participate in an incentivized experiment exploring the accuracy and economic effects of *ageism*: behavior affected by age stereotypes.[2]

To study age stereotypes we used a set of incentive compatible belief elicitation tasks that we refer to as the "Guess game". Our Guess game asked participants to make guesses (that would later be scored and paid for accuracy) about behavior in a strategic-communication game. Specifically, we asked participants to predict the frequency of anticipated sender and receiver behaviors in same age group (the "in-group"), other age group (the "out-group"), and unknown-aged group interactions of the "Bluff–Challenge" game. These six guesses (2×3) informed us of *consensual* and *personal stereotypes*. Consensual stereotypes are the aggregate beliefs about a particular group (or beliefs about differences between groups). Consensual stereotypes are measured by averaging what all (younger and older) perceivers state they believe about a particular group's behavior propensity (e.g. what all perceivers think about younger adult bluffing or older adult challenging). Below, set A predictions about "wisdom of crowds" concern the relative accuracy of these consensual stereotypes. Consensual stereotypes receive considerable attention among lay people and in the social science literature (e.g. Allport, 1979; Jost and Banaji, 1994; Pickering, 2001) because they represent the beliefs that are most widely shared. Personal stereotypes are beliefs about groups held by individuals. This is the level of analysis used to test predictions in sets A–D below.

Subsequent behaviors and monetary earnings in the Bluff–Challenge game informed us of age-based discrimination, economic consequences, and whether individuals acted consistently with their personal beliefs. The accuracy of beliefs and their correspondence to discriminant behavior informs us whether individuals practiced "statistical discrimination" (Phelps, 1972; Arrow, 1973) based on empirically informed beliefs (maximizing-money with a best response) or taste-based discriminated (Becker, 1957).

1.1. Social categorization and stereotyping

Humans engage in social categorization and construct social stereotypes around constellations of traits believed to be true of individual members of a social category (Ashmore and Del Boca, 1981) like age. Stereotypes help people cope with social challenges, such as identifying, encoding, and recalling members of other groups, making sense of what qualifies a social group, and informing decisions of how to deal with them (e.g., Tajfel, 1981; Cuddy and Fiske, 2002). One of these social challenges, relative to our study, is managing communication and trust with members of different age groups in dyadic social dilemmas that provide incentive for non-cooperation.

"Mixed stereotypes" are sets of correlated stereotypes attributed to people based on their social category (Fiske et al., 2002) that have been verified cross-culturally (Cuddy, Norton, and Fiske, 2005). We consider stereotypes about *cooperativeness* in a strategic-communication setting to involve mixed stereotypes such that cooperators are honest and trusting, and non-cooperators are dishonest (by bluffing) and suspicious (by challenging). Mixed stereotypes about social groups may be transmitted via popular cultural sources[3] and provide individuals salient and reliable benchmarks to anchor their beliefs on. Indeed, consensual stereotypes often demonstrate what Surowiecki (2005) dubbed "wisdom of crowds": the average of individuals' estimations tends to balance out over- and under-estimation errors of individuals and thus corresponds to actual behaviors of the targets better than the majority of individuals' stereotypes (Jussim, 2012; Chan et al., 2012). Where "wise" consensual stereotypes are available, individuals from both within and outside of a group may prefer to stereotype it in the same way based on "shared beliefs" derived from consensual stereotypes, rather than from their less accurate personal beliefs.

1.2. Intergroup bias

Social identity theories (e.g., Tajfel, 1981; Hogg and Abrams, 1993) suggest that people make a fundamental division of social groups into "us" (in-groups) and "them" (out-groups) so as to build concepts of themselves and others vis-à-vis group membership and reduce uncertainty about expected behaviors. A natural consequence of these social divisions is creation of belief in an inter-group contrast (Brewer and Brown, 1998) where stereotypes about the in-group are relatively different than stereotypes about the out-group.

Extreme stereotyping can occur between groups because it magnifies inter-group differences making them more identifiable. In the absence of exposure to individuating information about group members, out-groups are perceived to be less variable than in-groups, a phenomenon called the "out-group homogeneity effect" (Park and Rothbart, 1982) or the "they're all the same" effect (Bothwell, Brigham, and Malpass, 1989; Meissner and Brigham, 2001). On the other hand, people typically have relatively more experience sampling their in-groups and thus tend to view the in-group as more heterogeneous and containing a mix of characteristics along a spectrum. This leads to relatively moderate stereotypes about the in-group. While these tendencies may lead younger adults to hold relatively extreme stereotypes about older adults, the greater sampling experience of longer-lived older adults (who were once young) makes them unlikely to hold relatively extreme stereotypes about younger adults.

1.3. Age-based stereotyping and discrimination

Adults of all ages hold distinct ageist stereotypes about both older and younger adults (Palmore, 1999; Zebrowitz and Montepare, 2000). When young adult college students were given the task of describing a group of older adults, they used more simple and extreme descriptions than they did when describing other young adults (Linville, 1982). Kite, Deaux, and Miele (1991) found that older people were believed less likely to possess agentic (i.e., assertive, competent, self-profiting) characteristics. On the other hand, young adults are typically viewed as delinquent, self-absorbed, and lacking self-control (Zebrowitz and Montepare, 2000). These and other ageist beliefs about "younger adults" and "older adults" may derive from social constructs (Levy, 2009), or adaptive responses (Kurzban and Leary, 2001) to associated

[2] This definition of ageism is broader than the more commonly used one about discrimination directed at older adults; as in the title of Nelson's (2002) book, *Ageism: Stereotyping and Prejudice Against Older Persons*.

[3] Discussions of how ageism is transmitted via advertising, children's literature, cartoons, greeting cards, popular songs, literature, TV and movies are found in Palmore, Branch, and Harris (2005).