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Same Different but not Same Same: Ethnic Discrimination in Application Procedures in the German Public Sector

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Abstract: Regulations to prevent ethnic discrimination in accessing the labor market are implemented most thoroughly in the public sector. However, it remains to be assessed if these regulations are internalized. We conducted a field experiment to examine ethnic discrimination when applying for internships in German municipalities by unsolicited inquiries. We compared responses in German cities to Turkish, Italian, and German applicants in two periods, and find consistent disadvantages for the Turkish and Italian applicants as well as differences related to gender. Thus, the likelihood for ethnic discrimination rises when applying for positions in public institutions that are not subject to regulations.

Keywords: Ethnic Discrimination, Public Sector, Field Experiment, Application Procedure

JEL Classification Number: C93, J71

1. Introduction

Please no Arabs- This statement went viral at the beginning of 2020 in the German media (Schumacher, 2020). An architectural office located in Berlin sent this email response to an Egyptian-born internship applicant. Ethnic discrimination in application procedures poses a problem for equal opportunities in accessing the labor market. Even though actions have been taken to prevent discrimination, recent field studies have found that applicants from an ethnic minority are less likely to be invited to a job interview in various labor markets (see Zschirnt and Ruedin, 2016 for a meta-analysis). In Germany, the adoption of the General Equal Treatment Act and the foundation of the Federal Anti-Discrimination Agency in 2006 represented regulatory means to combat discrimination. However, most empirical studies provide confirming results for ethnic discrimination in

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application procedures in German private firms (Baldsch et al., 2018; Kaas and Manger, 2012; Koopmans et al., 2019; Schneider et al., 2014; Weichselbaumer, 2016).
Yet, the public sector is mostly neglected in the current research, and we still need to determine whether migrants are also discriminated by public institutions when applying for job positions (Zschirnt and Ruedin, 2016). The public sector is perceived to especially cater for better control of ethnic discrimination as survey data reveals (Biffl et al., 2013). More standardized procedures and stricter demands for a diverse workforce are considered as instrumental guidelines to meet these expectations (Midtbøen, 2016; Wood et al., 2009).

Regarding Germany, Goldberg et al. (1995) included semi-public institutions in the form of municipal hospitals and care facilities with private operators in their study on ethnic discrimination. They find a lower net discrimination rate in applications of Turkish migrants to advertised vacancies for nurses. Most recently, Gerhards et al. (2021) find no evidence for ethnic discrimination in their field study including partially public German theatres, which they claim to be particularly aware of a diverse workforce, highlighting the need to differentiate among social subfields in the labor market. Thus, the scope of research in the German public sector is scarce and limited to positions with either a high demand for professionals, which is often filled by workers from an ethnic minority (Marć et al., 2019), or a specific social subfield favoring diversity. We extend the research on ethnic discrimination in the public sector to a position in a full public institution and aim to reveal if ethnic minorities are facing consistent discrimination when applying informally for internships in public institutions.

In addition, we address a limitation of prior research that has mainly focused on comparisons to only one major migration group in a country (Lancee, 2021). Including further significant migration groups could complement existing research on discrimination and allow for a more specific interpretation regarding cultural distances (Koopmans et al., 2019). Furthermore, we also consider gender differences with respect to the different migration groups (Baldsch et al., 2018). As outlined by Zschirnt and Ruedin (2016), recent studies related to ethnic discrimination in the labor market also examined gender differences, finding significant differences that are, however, not systematic across studies.

2. Method and Data

To investigate the issue of ethnic discrimination in the labor market, written correspondence tests have become the dominant method (Riach and Rich, 2002). For our study, we used Turkish, Italian, and German applicants to examine disparities among migration groups with varying cultural background but a historically similar integration to the foreign labor market and compare their acceptance to natives. We sent inquiries for a

compulsory school internship and collected data of German municipalities in two rounds in consecutive years. We reached out to small and large German cities to capture systematic differences regarding urban and rural peculiarities. We focused our research on public institutions and assumed that discrimination in the labor market could rather be observed by sending unsolicited applications. Sending unsolicited applications has been previously executed in correspondence tests (Riach and Rich, 2002). This method might reveal different procedures since the responsible persons are not bound to guidelines and reveal true preferences. This way, we wanted to compare our results to existing studies that only focused on German private firms using the established comparison of Turkish and German applicants.

During our first execution in 2019, we decided to extend our research scope in the light of the results by Koopmans et al. (2019) and the GEMM project by Lancee et al. (2019). We added Italian applicants as another significant migration group in a second round in 2020 that varies from a cultural perspective to the Turkish migration group.

Furthermore, we chose an unpaired design sending only one application of the specified subsamples to a municipality. This allows for an analysis of multiple treatments and reduces the chance of exposure, which is even higher if the position is not advertised (Lancee, 2021). All inquiries were formally equal except for the name and gender of the applicant. We relied on providing typical names of the ethnic groups to signal the applicant's ethnic background (Lancee, 2021). Names were deemed as typical for the migration group by relying on frequency databases. We only used one name for each ethnic-gender combination and changed the names of the German and Turkish applicants for the second round to reduce bias that might be related to a specific name. Table 1 illustrates our study design and the distribution of applicants.[1]

Table 1: Study design and distribution of applicants

	German applicants	**Turkish applicants**	**Italian applicants**
Round 1 - 2019 Municipalities insmall cities	Laura Hildenbrand & Christian Hildenbrand	Fatima Haddad & Abdul Haddad	-
Round 2 - 2020 Municipalities in large cities	Lisa Emmerich & Thomas Bollhorst	Fatma Kizilay & Mehmet Sertac	Francesca Fasolo & Alessio DeLuca

In the first round, we created standardized email accounts for German and Turkish applicants, each differentiated between female and male. We sent standardized emails in January 2019 with the inquiry for a compulsory school internship of three weeks in an administration office to 200 municipalities based in German cities with a population

[1] Details about the style of the inquiry are available from the author upon request.

between 8,000 and 15,000 inhabitants. We used a stratified randomization approach sending 50 inquiries for each applicant to municipalities in East and West Germany.

For the second round, two additional accounts were created with Italian names. We gathered comparable data by sending emails in January 2020 to 240 municipalities based in German cities with a population of more than 100,000 inhabitants, which marks the official boundary for a large city in Germany. Consistently, we assigned 40 emails of municipalities in East and West Germany to every applicant. In both rounds, all inquiries were sent synchronously at the same weekday and time of day. We recorded every answer within three weeks and formally withdrew our inquiry for every responsive municipality in order to adhere to ethical standards. For our analysis, we used the callback rate as the dependent variable. It is calculated by the relative share of positive responses to all inquiries for every applicant. We considered responses as positive if the applicant was invited to a personal interview or was asked to provide additional information for an interview. We considered the ethnic group and gender as independent variables. Additionally, we controlled for number of inhabitants and federal state the municipality is located in.

3. Results and Discussion

Table 2 illustrates the descriptive rates for every ethnic and gender group. The pairwise ratios indicate significant differences. Turkish applicants need to submit 51% (p = 0.002) and Italian applicants 44% (p = 0.030) more applications to receive the same number of positive responses as the German applicants. The differences are particularly large for the Turkish male and Italian female, who have a significantly lower callback rate compared to the other ethnic groups in the gender subsamples.

Table 2: Distribution of callback rates by ethnic groups and subdivided by gender

	(1) **German**	(2) **Turkish**	(3) **Italian**	**Ratio** (1)/(2)	**Ratio** (1)/(3)	**Ratio** (2)/(3)
All applicants [*N* = 438]	0.47 [*N* = 179]	0.31 [*N* = 179]	0.33 [*N* = 80]	1.51***	1.44**	0.95
Female [*N* = 219]	0.43 [*N* = 89]	0.36 [*N* = 90]	0.20 [*N* = 40]	1.19	2.15**	1.80*
Male [*N* = 219]	0.51 [*N* = 90]	0.27 [*N* = 89]	0.45 [*N* = 40]	1.89***	1.13	0.60**

Note: Pearson's chi-squared tests are used to infer for statistical significance. *$p < 0.1$, **$p < 0.05$ and ***$p < 0.01$.

These results are underlined by estimations of the logistic regression models on the callback rate in Table 3. Model (1) shows that the odds for a positive response are 49%

lower for Turkish (p = 0.003) and 42% lower for Italian (p = 0.081) applicants. When including an interaction of the ethnic groups and gender in model (2), we find that the odds are 52% lower if the Turkish applicant is male (p = 0.094) and 64% lower if the Italian is female (p = 0.029). Figure 1 illustrates these varying effects of the interaction estimating the predictive probabilities of receiving a positive response. Intuitively, we see a higher probability for German applicants and particularly for the German male. However, the observed disparities mainly apply to the Turkish male and Italian female with significantly lower probabilities to receive a positive response.

Table 3: Logistic regression models calculating the odds to receive a positive response

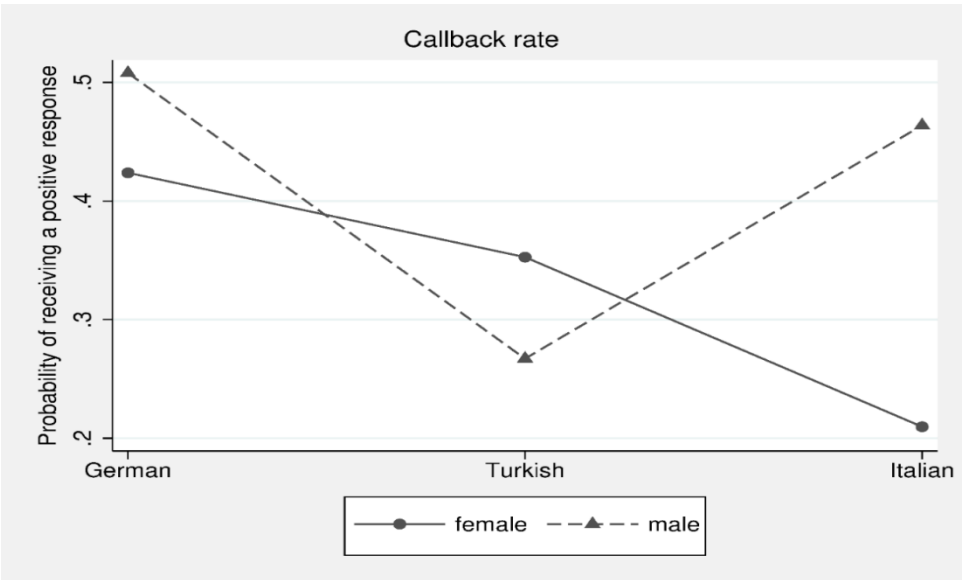
	Callback rate	
	(1)	**(2)**
Ethnic groups (ref. German)		
Turkish	0.51***	0.74
	(0.11)	(0.23)
Italian	0.58*	0.36**
	(0.18)	(0.16)
Male	1.22	1.40
	(0.24)	(0.42)
Large city	0.90	0.90
	(0.22)	(0.22)
East Germany	1.05	1.04
	(0.26)	(0.26)
Ethnic Group *x* Gender		
Turkish *x* Male		0.48*
		(0.21)
Italian *x* Male		2.32
		(1.37)
Constant	0.72	0.82
	(0.47)	(0.50)
N	438	438
LR χ^2	11.80**	19.44***

Notes: Standard errors are in parentheses. We estimated odd ratios on the binary outcomes of the callback rate (0 = no/negative response, 1 = positive response). Model (1) shows the single effects of the independent variables and covariates. Model (2) includes an interaction of ethnic group and gender of the applicants. Control variables for city size and federal state are coded as dummies (0 = small city with 8,000 to 15,000 inhabitants, 1 = large city with more than 100,000 inhabitants; 0 = federal state in West Germany, 1 = federal state in East Germany).
*$p < 0.1$, **$p < 0.05$ and ***$p < 0.01$.

Our results resemble findings of correspondence studies in Germany with a comparison to a Turkish subsample when applying for internships (Baldsch et al., 2018; Kaas and

Manger, 2012), apprenticeships (Schneider et al., 2014), and full-time positions of different skill levels (Goldberg et al., 1995; Thijssen et al., 2021; Weichselbaumer, 2016). However, our design focusses on unsolicited inquiries for an internship in the public sector, which has not been investigated and might imply different explanations for existing ethnic discrimination. Furthermore, we also consider gender differences among migrations groups as suggested by Zschirnt and Ruedin (2016). In this regard, our study coincides with Baldsch et al. (2018), who also considered disparities between female and male internship applicants. Consistently, they find the highest rates for German male and just small differences between female applicants of both groups. Although these studies slightly differ in their procedure, results in comparison to Turkish applicants show clear indications of ethnic discrimination in the German labor market.

Figure 1: Predictive probabilities for the callback rate of the interactions between every ethnic group and gender of the applicants



Besides Turkish applicants, a comparison to further migration groups in Germany was conducted by Koopmans et al. (2019), who compared multiple ethnic groups, among them Italian applicants. They find a lower callback rate for Italians compared to Germans and a higher rate compared to Turkish applicants. Our results resemble their findings on the first view. But like in the Turkish subsample, results are heterogeneous regarding gender. In this regard, we notice the varying disparity between males and females among the ethnic groups, which indicates that positions in municipalities are not gender-dominated per se. Rather the specific profiles of a Turkish male and an Italian female explain lower callback

rates. Stereotypical perceptions of these applicants as being less reliable and productive compared to their gender counterpart could explain these differences.

However, existing results were obtained when applying for private firms and only Goldberg et al. (1995) and Gerhards et al. (2021) included semi-public institutions finding lower rates of discrimination. Since this comparison appears limited, we solely focused on full public institutions in the form of municipalities and tried to cover a wide range, including municipalities in small and large cities in East and West Germany. While stricter regulations in application procedures could reduce discrimination in the public sector, we find discrimination rates similar to the results of former studies in the German private sector (Zschirnt and Ruedin, 2016). We argue that regulations just take effect in officially advertised vacancies as former studies have shown (Midtbøen, 2016; Wood et al., 2009). Using unsolicited inquiries does instead reveal true preferences of the responsible persons since they are not bound to guidelines at this stage. Thus, this method allows us to investigate if the externally introduced regulations are also internalized.

4. Conclusions

We suggest that ethnic discrimination not only poses a significant problem when applying for private firms but the likelihood of encountering unequal treatment due to ethnic differences in selection procedures of public institutions is by no means lower if regulations do not take effect. In this study, Turkish and Italian applicants are generally disadvantaged compared to German applicants independent of city size or location. Tendencies toward ethnic hierarchies, as found by Koopmans et al. (2019), are partly supported, though limited to gender differences. The larger cultural distance of Turkish migrants to Germans combined with stereotypical perceptions between the genders of migration groups might explain the differences in discrimination (Zschirnt and Ruedin, 2016).

Our study enriches the limited research on discrimination in the public sector, which found lower rates of discrimination in comparison to private firms (Midtbøen, 2016; Wood et al., 2009). While the authors of these studies argue that stricter monitoring in application procedures in the public sector leads to lower levels of inequalities, we find that unsolicited applications, that are not bound to these guidelines, encounter higher rates of discrimination comparable to those found in the studies investigating in German private firms. However, we cannot make a definite statement that discrimination rates in the public sector meet those in the private sector. A direct comparison to private firms using unsolicited applications would be needed to make clearer inferences. Future studies could also compare the results of solicited and unsolicited applications to the same institution to make more reliable inferences about the effect of the application method on discrimination rates. Still, even though we just examine the very first step in an application procedure and

cannot draw reliable conclusions about the causes of the observed disparities, we can reduce bias compared to a full official application and provide evidence that ethnic minorities face unequal treatment when applying for positions in German municipalities.

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