

**Discrimination:** when one group of workers with the same abilities, education, training, and experience gets inferior treatment compared to another group.

**Gary Becker:** Nobel Price in Economics winner, 1992  
His Ph.D. Dissertation in 1955 was on Discrimination

1. Wage discrimination: Paying people less for the same work. Can be subtle and difficult to detect.  
*North Carolina and the New Economic Revolution (1925) C.R. Fay*
2. Employment discrimination: People less likely to get jobs or promotions.
3. Occupational discrimination: People are arbitrarily restricted from certain jobs  
*"Something the Lord Made": Vivien Thomas 1930's-40's*
4. Human capital discrimination: People systematically get a worse education.
5. Statistical discrimination: Since you are part of a group who on average are worse than another group, we decide not to hire you (e.g., people from South Carolina are not as good as those from NC!)  
*Average SAT Scores: NC 1,081 SC 1,064*
6. "Taste for Discrimination Model" What we often see is prejudiced people will be willing to hire people they don't like, but **only** if they get them "at a discount". In the long run, these businesses should fail. Why?