

Customer and Worker Discrimination Against Gay and Lesbian Business Owners

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Abstract

We examined customer and worker discrimination against gay and lesbian business owners using a web-based experiment. Participants ($N = 1,406$) were presented a prospective restaurant establishment, a pasta bar on campus. They then stated whether they would be positive to such an establishment, whether they would be interested in working at the restaurant, and what their reservation wage would be if they were interested in the job. Owners' sexual orientation was randomized across participants. Results showed that participants were less positive to a restaurant opening and had higher reservation wages if owners were lesbian and they were less interested in an available job if owners were gay. Our study underlines that that gay and lesbian people face various inequalities in society.

Keywords: Sexual orientation; discrimination; experiment; worker; customer.