

Gender Identity and Economic Decision-making

Abstract

Until now, economic research on gender gaps in preferences and their importance for individual economic outcomes has been based on biological sex—a binary classification as either a “man” or “woman.” We investigate the value of incorporating a continuous measure of self-reported gender identity into economics by exploring whether gender identity explains variation in economic behavior beyond that of a binary classification. First, we validate a short novel measure of non-binary gender in a survey study, showing that this measure correlates with longer measures widely used in gender research outside economics. Second, we assess the explanatory value of our validated measure in an incentivized experiment exploring previously documented gender preference gaps in risk attitudes, competitiveness, preference for equality over efficiency, and overconfidence. A pilot experiment replicates sex gaps in these four measures, shows that they are positively correlated with continuous gender and, for risk attitudes, this correlation is robust to controlling for biological sex. However, we do not replicate this latter finding in a larger study. In conclusion, we do not find that continuous gender explains variations in incentivized economic preferences once accounting for biological sex.

Anne Ardila Brenøe

Assistant Professor in Economics at University of Zurich