Research Statement - Nina Roussille

My research studies the microfoundations of wage inequality: how workers search and bargain; how firms set wages; and how institutions mediate the division of labor-market surplus. Much of my work starts from a simple premise: workers and firms act on the labor market they *perceive*, rather than the labor market they face. I document that perceived and actual labor market conditions systematically diverge: women misperceive their bargaining power, workers underestimate their outside options, firms offer wages without knowing workers' type. I move beyond documenting these information frictions to testing interventions that correct them. Across several settings, I show that reducing misperceptions has first-order effects on job search, wages, and employment.

In **"The Role of the Ask Gap in Gender Pay Inequality"** (*Quarterly Journal of Economics*, 2024), I use data from a large hiring platform for software engineers to document that women systematically ask for lower pay than observationally equivalent men. This ask gap is economically meaningful: I find that, adjusting for résumé characteristics, women ask for annual wages that are several thousand dollars lower than men. I then show that the ask gap explains the entirety of the gender gap in salary offers. Moving beyond these observational findings, I leverage a quasi-experimental variation on the platform: starting in mid-2018, men and women are shown the median salary on the platform for their specific job title X location X experience bin, before posting their ask salary. This allows me to identify the causal impact of salary information on ask behavior and the resulting gender gap in offers. I show that, once the salary information is communicated, the ask gap and, importantly, the offer gap disappears. In addition, women did not receive fewer offers than men did due to the change, suggesting they faced little penalty for demanding comparable wages. These findings highlight how downward-biased beliefs about wages among women can perpetuate gender pay inequality, and points to the role of salary information in mediating it.

In **"Worker Beliefs about Outside Options"** (*Quarterly Journal of Economics*, 2024), we study the role of misperceptions about outside options in shaping equilibrium wages and employment. We first document that workers wrongly anchor their beliefs about outside options on their current wage, resulting in workers at low-paying firms underestimating wages. We analyze the consequences of this anchoring in a simple equilibrium model, finding that it leads to monopsony power and labor market segmentation: anchored beliefs keep overly pessimistic workers stuck in low-wage jobs, firms exploit these misperceptions to further markdown wages. Finally, we experimentally provide information about the wages of similar workers and show that respondents correct their beliefs about their own outside options. Those that initially underestimated their outside option are the ones who update most sharply, driving the largest increases in intended job search, wage negotiation, and quits.

"**The Illusion of Time: Gender Gaps in Job Search and Employment**" (*Revise and Resubmit, Review of Economic Studies*, 2025) extends the insights from the first two papers to study the informational foundations of gender pay inequality in a context of extremely low female labor force participation: Pakistan. Partnering with two of Pakistan's largest universities, we track 2,400 students from just before graduation to one year later. We show that women hold vastly overoptimistic beliefs about their near future likelihood of employment: at graduation, women report a 71.8% likelihood of working within six months of graduation; but only 36.1% of them work six months later. We further find that, for women but not men, searching immediately after graduation is strongly predictive of eventual employment. We therefore randomize a modest incentive to apply early and show that shifting search into this early window raises women's employment by about 20% without affecting men's, closing roughly one-third of the gender gap. The evidence suggests that early search allows women to enter the labor market before marriage pressures intensify, triggering a self-reinforcing cycle: early job search attracts more progressive suitors on the marriage market, which in turn facilitates sustained employment. Treatment effects are concentrated among women who underestimate how quickly marriage demands materialize, revealing an "illusion of time". This illusion can persist because of exceptionalism bias: women in our sample recognize the barriers to employment faced by their female peers, but overestimate their own ability to overcome them.

In "**How Does Wage Inequality Affect the Labor Movement?**" *(Conditionally Accepted, Quarterly Journal of Economics, 2026)*, we leverage a result from the first two papers – that workers have incorrect beliefs about the wage distribution – to provide causal evidence on how wage inequality among workers impacts the labor movement. We start from the premise that to identify this effect, an ideal research design would feature exogenous variation in inequality alongside detailed documentation of the labor movement's response. However, one key challenge to causal identification is that inequality itself is seldom assigned randomly. However, while we cannot shift inequality itself, we can shift people's beliefs about it with an information intervention. In the context of this paper, we run an experiment where we randomize whether Hollywood writers learn about the large prevailing inequality in their sector. We find that writers in the treatment group are less likely to support the writers' union. This is driven by high-credits writers, consistent with an economic channel highlighted in the theoretical literature: high earners prefer to bargain individually if the earnings disparity between themselves and the median voter is sufficiently large. We study two more settings – a vignette experiment with union organizers and a natural policy experiment that increased wage inequality among Wisconsin school teachers – and find, across all studies, that inequality undermines union strength. Taken together, our findings highlight the potential for "inequality traps,"where rising inequality erodes the very institutions designed to counteract it.

In **"Bidding for Talent: A Test of Conduct in a High-Wage Labor Market"** (*Conditionally Accepted, American Economic Review*, 2026), we test whether and how firms use observable jobseeker information when setting wages. On Hired.com (the same platform used in my paper on the gender ask gap), the firm wage-setting conduct that best fits the data is a not-predictive monopsonistic competition model: firms internalize upward-sloping labor supply, but do not tailor wage offers to predictable variation in workers' preferences over firms' non-wage amenities. We show that misspecification has meaningful consequences: our preferred model predicts average markdowns of 19.5%, while others predict average markdowns as large as 26.6%. This result demonstrates that the way firms process, or fail to process, observable information about job seekers is a central determinant of wage-setting conduct and implied markdowns.

Ultimately, my agenda spans a rich literature on the determinants of inequality. In "**Intersectional Peer Effects at Work: The Effect of White Coworkers on Black Women's careers**" (Management Science, 2025), we study how the racial composition of coworkers affects retention and promotion outcomes for Black women. Using data on over 9,000 new hires at a professional services firm, we document large racial and gender disparities in career progression. Even after adjusting for observables, Black employees are significantly more likely to leave and less likely to be promoted on time than their White peers—with the largest gaps observed between Black and White women. Leveraging quasi-random initial assignment to project teams, we show that being placed on Whiter teams causally increases turnover and lowers promotion rates—but only for Black women. We trace these effects to early performance evaluations and work allocation: Black women who were initially assigned to Whiter teams are subsequently more likely to be labeled as low performers and report fewer billable hours, both of which are predictors of higher turnover and lower promotion for all employees. The findings highlight how intersectional peer effects shape inequality in the workplace and underscore the role of workplace dynamics in sustaining or mitigating structural disadvantage.