

## Abstract

In the first chapter of this work, I focus on the effects of international mobility on discrimination. Every year, millions of people relocate to a foreign country for school or work. I provide evidence of how international experience shifts preferences and stereotypes related to other nationalities. I use participation in the Erasmus study abroad program to identify the effect of international experience: students who are ready to participate in the Erasmus program are chosen as a control group for students who have returned from studies abroad. Individuals make decisions in a Trust Game and in a Triple Dictator Game. Results show that while students do not differentiate between partners from Northern and Southern Europe in the Trust Game prior to an Erasmus study abroad, students who have returned from Erasmus exhibit less trust towards partners from the South. Behavior towards other nationalities in the Triple Dictator Game is not affected by the Erasmus study experience. Overall, the results suggest that participants learn about cross-country variation in cooperative behavior while abroad and therefore statistical discrimination increases with international experience.

The second chapter concentrates on inter-ethnic interactions. Ethnic hostilities often spread rapidly, making it essential to understand how individual willingness to engage in causing harm is shaped. Here we study the influence of peers among adolescents and present experimental evidence from a region characterized by tensions with Roma, the largest ethnic minority in Europe. We examine the effect of observing choices of randomly assigned peers on the individual willingness to harm majority or Roma counterparts in incentivized tasks. We find that peers are very influential. When choices are performed in isolation or when individuals are exposed to observing the peaceful behavior of peers, subjects do not discriminate against the ethnic minority. In contrast, when subjects are exposed to a peer who harms the ethnic minority instead of to a peer who does not, the likelihood of harming the ethnic minority increases by 60 percentage points and ethnic discrimination emerges. The results are consistent with theories suggesting a parochial response to a threat of ethnic conflict and can help to explain why ethnic hostilities of masses can spread quickly, even in societies with few visible signs of systematic inter-ethnic hatred.

In the third chapter, we study how psycho-social stress affects willingness to compete and performance under tournament incentives across gender. The paper has implications for gender gaps on the labor market, since many key career events involve competition in stressful settings (e.g. entrance exams or job interviews). We use a laboratory economic experiment in which a task is compensated under both tournament and piece-rate schemes and subsequently elicit subjects' willingness to compete. Stress is exogenously introduced through a modified version of the Trier Social Stress Test, and stress response is measured by salivary cortisol levels. We find that stress reduces willingness to compete. For female subjects, this can be explained by performance: while tournament incentives increase output in the control group, women under the stress treatment actually perform worse when competition is introduced. For males, output is not affected by the stress treatment and lower competitiveness seems to be preference-based. These results may explain previous findings that men and women react differently to tournament incentives.