

**Essays on Development and Experimental Economics:
Migration, Discrimination and Positional Concerns**

av

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AKADEMISK AVHANDLING

**som med vederbörligt tillstånd för vinnande av
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Abstracts

Paper 1: A Field Experiment of Discrimination in the Norwegian Housing Market: Gender, Class, and Ethnicity

We test for gender, class, and ethnic discrimination in the Norwegian rental housing market using fake application letters. Females, individuals with high job status, and ethnic Norwegians are more likely to receive positive responses. For example, being an Arabic man and working in a warehouse is associated with a 25 percentage point lower probability of receiving a positive response when showing interest in an apartment as compared to an ethnically Norwegian female economist. We conclude that gender, class, and ethnic discrimination do exist in the Norwegian housing market, and ethnic discrimination seems to be the most prevalent form of discrimination.

Paper 2: Positional Concerns among the Poor: Does Reference Group Matter? Evidence from Survey Experiments

In general, previous research on positional concerns suggests a lower degree of positional concerns among people from poor countries. Yet the evidence is limited and most often builds on the assumption that people's reference groups are given, (often referring to other people in the society) and are the same across all individuals. In this paper, we test if low positional concerns found in the literature may be due to misspecification of the reference groups. We contribute to the limited literature by estimating the positional concerns in a low-income country considering various reference groups. We do so by testing the effect of different reference groups on the positional concerns of a representative sample of individuals in urban Ethiopia. We use a tailored survey experiment that is modified to include multiplicity of reference groups. The results show a low degree of positional concern for income, and that the degree of positional concern is highly stable across different reference groups.

Paper 3: Migration, Remittances and Household Welfare in Ethiopia

This paper investigates the effect of international remittances and migration on household welfare in Ethiopia. We employ both subjective (a household's subjective economic well-being) and objective measures (asset holdings and asset accumulation) to define household welfare. A matching approach is applied to address self-selection, and by exploiting information before and after the households began receiving remittances, the study sheds light on the changes in welfare associated with international migration and remittances. The results reveal that remittances have a significant impact on a welfare variable that has previously not received much attention in the migration literature, namely household subjective economic well-being. In addition, we find that remittances have positive effects on consumer asset accumulation, especially in rural areas, but no effect on productive assets.

Paper 4: Do International Remittances Stimulate Private Transfers? Panel Data Evidence from Urban Ethiopia

International remittances can have important impacts on the households who receive them. However, the effects of remittances might also carry trickle-down effects on other households in the migrant origin country through informal systems of private transfers. Using rich panel data from urban Ethiopia spanning more than a decade, we investigate how international remittances affect the sending of private transfers. The results show that receiving international remittances increases the likelihood of sending internal transfers among low-educated households, while the same effect is not found for highly educated households. The difference in transfer response to remittances between low-educated and highly-educated households seems to be partly driven by differences in transfer behaviour during an adverse economic shock.

Keywords: class, discrimination, Ethiopia, ethnicity, experiment, fixed effects, field experiment, housing market, gender, income comparison, migration, panel data, private inter-household transfers, propensity score matching, reference groups, remittances, subjective well-being

JEL Classification: C90, D60, F22, F24, J71, O12, O15, R21

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