

Table A.1
Variable definitions

Variable name	Description
Table 1	
War veteran	=1 if the household head is a war veteran
Disabled	=1 if the household head is disabled
Female	=1 if the household head is female for the regressions of tax exemption and health insurance.
	=1 if the child is female for the regression of scholarship.
Khmer	=1 if the household head is Khmer.
Chinese	=1 if the household head is Chinese.
Table 4	
Khmer	=1 if the subject is Khmer.
Chinese	=1 if the subject is Chinese.
V-Outgroup	=1 if the subject is Vietnamese and the opponent is a member of an outgroup.
K-Outgroup	=1 if the subject is Khmer and the opponent is a member of an outgroup.
C-Outgroup	=1 if the subject is Chinese and the opponent is a member of an outgroup.
V-OutgroupK	=1 if the subject is Vietnamese and the opponent is Khmer.
C-OutgroupK	=1 if the subject is Chinese and the opponent is Khmer.
Table 5	
Age	Age of the subject
Gender	Gender of the subject, 1=male
Education	Number of years the subject attended school
Traditional	=1 if subject's main occupation is farming, fishery, or raising livestock.
Trade	=1 if subject's main occupation is trading (street vendors).
Business	=1 if the subject is engaged in household business.
Public	=1 if the subject works for a public organization.
Private	=1 if the subject works for a private organization.
Casual	=1 if the subject is a daily laborer.
ReIncome	Subject's relative wealth within the community, measured by subject's household income divided by the mean income of the village.
MnIncome	Mean household income of the village (million dong) among 25 households surveyed in 2002
Outgroup	=1 if the subject is playing the game against a member of an outgroup.
OutgroupK	=1 if the subject is not Khmer and the opponent is Khmer.
Envy	The amount the subject sends in envy game
Expectation	=1 if the subject expects Player 2 to reciprocate.
Table 6	
V x P2 is outgroup	=1 if the subject is Vietnamese and Player 2 is a member of an outgroup.

V x P3 is outgroup	=1 if the subject is Vietnamese and Player 3 is a member of an outgroup.
V x P1 is outgroup	=1 if the subject is Vietnamese and Player 1 is a member of an outgroup.
Opposite role behavior	The mean minimum accepted offer Player 1 (sender) chose when they played the role of Player 3 (punisher), and the mean offer Player 3 made when they played the role of Player 1.

Table 7

Competence	Estimated factor that represents images such as “competent”, “confident”, “efficient” and “skillful”.
Warmth	Estimated factor that represents images such as “tolerant”, “warm”, “good natured” and “sincere”.
Status	Estimated factor that represents images such as “having prestigious jobs”, “intelligent” and “educated”.
Competition	Estimated factor that represents images such as “getting special breaks”, “power” and “taking away resources from my group”.
Acquaintance	Ratio of the subjects the subject knows by name in the opponent’s ethnic group.
Parent	=1 if the ethnicity of the opponent is the same as the player’s parent’s ethnicity.
Spouse	=1 if the ethnicity of the opponent is the same as the player’s spouse’s ethnicity.
Neighbor	The number of subject’s neighbors who belong to the opponent’s ethnic group.
Pop-Share	Population share of the subject’s ethnic group (%)
Pol-Power	Political power of the subject’s ethnic group measured by [(Number of village officials of the subject’s ethnicity)/ (Number of households of the subject’s ethnicity)] / [(Total number of village officials)/ (Total number of households)]
Re-Wealth	The mean income of the opponent’s ethnic group divided by the mean income of the player’s own ethnic group.

Table A.2
Stereotype questions

Construct	Items
Competence	How ____ are members of this group? 1: competent, 2: confident, 3: capable, 4: efficient, 5: intelligent, 6: skillful
Warmth	How ____ are members of this group? 7: tolerant, 8: warm, 9: good natured, 10: sincere
Status	11: How prestigious are the jobs typically achieved by members of this group? 12: How economically successful have members of this group been? 13: How well educated are members of this group?
Competition	14: If members of this group get special breaks (such as preference in hiring decisions), this is likely to make things more difficult for people like me. 15: The more power members of this group have, the less power people like me are likely to have. 16: Resources that go to members of this group are likely to take away from the resources of people like me.

Table A.3
Factor scores

	Orthogonally rotated factors			
	1 (competence)	2 (warmth)	3 (status)	4 (competition)
1: Competent	0.27	0.03	-0.08	0.03
2: Confident	0.22	0.09	-0.11	0.07
3: Capable	0.22	-0.09	0.08	-0.00
4: Efficient	0.23	0.00	0.00	-0.02
5: Intelligent	0.13	-0.09	0.20	-0.03
6: Skillful	0.42	-0.15	-0.23	0.01
7: Tolerant	0.11	0.26	-0.21	0.07
8: Warm	-0.04	0.30	0.01	0.06
9: Good natured	-0.10	0.39	-0.02	0.02
10: Sincere	-0.18	0.40	0.04	-0.04
11: Prestigious jobs	-0.23	0.01	0.48	0.05
12: Successful	0.12	-0.05	0.19	-0.05
13: Educated	-0.11	-0.04	0.44	-0.07
14: Special breaks	0.09	0.04	-0.16	0.42
15: Power	-0.02	0.00	0.08	0.40
16: Resources	-0.00	0.04	-0.02	0.41

Table A4
Ordered logit regression results for third party punishment game

	Player 1 (Sender)		Player 3 (Punisher)	
	VK Villages	VC Villages	VK Villages	VC Villages
Age	-0.015 (0.014)	0.011 (0.018)	0.011 (0.013)	-0.018 (0.018)
Gender	0.024 (0.377)	0.803* (0.470)	0.325 (0.333)	-0.652 (0.431)
Education	0.040 (0.072)	-0.007 (0.073)	-0.039 (0.073)	-0.028 (0.076)
Traditional	0.164 (0.383)	-0.242 (0.501)	-0.067 (0.327)	0.958 (0.536)
Trade	2.350*** (0.770)	1.444** (0.672)	-0.169 (1.030)	-0.376 (0.771)
Business	-0.394 (1.092)	0.560 (0.547)	-1.064 (1.560)	0.798 (0.706)
Public	-0.347 (0.665)	0.165 (0.570)	1.472*** (0.540)	0.573 (0.779)
Private	0.093 (1.092)	-0.167 (0.632)	-0.026 (0.691)	0.851 (0.668)
Casual	0.443 (0.542)	0.215 (0.804)	0.323 (0.618)	1.008 (0.811)
ReIncome	0.045 (0.342)	0.118 (0.161)	0.000 (0.235)	-0.244 (0.160)
<i>V x P2 is outgroup</i>	-0.132 (0.228)	-0.562** (0.225)	-0.061 (0.194)	-0.438** (0.224)
V x P3 is outgroup	-0.028 (0.135)	-0.067 (0.127)		
V x P1 is outgroup			0.172 (0.297)	0.047 (0.167)
Khmer	-0.874** (0.403)		0.673 (0.414)	
K x P2 is outgroup	-0.676*** (0.209)		-0.353** (0.158)	
K x P3 is outgroup	0.012 (0.143)			
K x P1 is outgroup			0.244* (0.146)	
Chinese (C)		-0.450 (0.465)		-0.037 (0.414)
C x P2 is outgroup		-0.386** (0.173)		0.341 (0.235)
C x P3 is outgroup		-0.099 (0.126)		
C x P1 is outgroup				-0.365

				(0.230)
Opposite role behavior	0.806*** (0.143)	0.923*** (0.180)	0.614*** (0.120)	0.640*** (0.196)
Pseudo R2	0.136	0.160	0.112	0.121
N	384	308	384	308

Note: Results are robust regressions with standard errors corrected for correlations within individuals. Robust standard errors are in parentheses. The crucial coefficients for relative favoritism of Vietnamese toward Khmer are the “VxP2 is outgroup” coefficients highlighted in bold italic.

- Significant at the 10% level. ** Significant at the 5% level. *** Significant at the 10% level.

Table A5
Regression results for trust game

	Trust Game (Player 1) (Fixed effect logit)	Trust Game (Player 2) (Fixed effect logit)
Khmer	0.297 (0.389)	-1.131*** (0.398)
Chinese	-0.337 (0.329)	-0.649* (0.340)
Age	-0.016 (0.011)	-0.007 (0.009)
Gender	0.105 (0.256)	0.182 (0.241)
Education	-0.050 (0.044)	0.011 (0.040)
Traditional	0.172 (0.369)	0.433 (0.361)
Trade	0.425 (0.450)	-0.027 (0.372)
Business	0.019 (0.418)	0.103 (0.427)
Public	0.731 (0.599)	-0.546 (0.581)
Private	0.869 (0.657)	0.340 (0.524)
Casual	0.619* (0.356)	0.571 (0.356)
ReIncome	0.390** (0.163)	0.098 (0.143)
MnIncome	9.245 (49.576)	55.972 (44.213)
Outgroup	-0.351* (0.203)	-0.513*** (0.158)

OutgroupK	-0.131 (0.230)	0.306 (0.245)
Envy	0.003 (0.006)	0.014** (0.006)
Expectation	1.453*** (0.240)	
Constant	-1.365 (1.433)	-0.536 (1.303)
Pseudo R2	0.143	0.089
Observation	552	552

Note: We conducted ordered logit and logit regressions with village fixed effects. We adjusted standard errors for correlations within individuals. Robust standard errors.

Table A.6

Regression results including individual-specific stereotyping

	Envy Game (Fixed effect ordered-logit)	Dictator Game (Fixed effect ordered-logit)	Trust Game (Player 1) (Fixed effect logit)	Trust Game (Player 2) (Fixed effect logit)
Khmer	0.558* (0.304)	-0.213 (0.316)	0.274 (0.392)	-1.067*** (0.395)
Chinese	0.150 (0.313)	-0.122 (0.335)	-0.245 (0.340)	-0.666* (0.351)
Age	-0.001 (0.009)	-0.010 (0.008)	-0.016 (0.011)	-0.008 (0.010)
Gender	0.017 (0.235)	0.322 (0.224)	0.134 (0.258)	0.194 (0.241)
Education	0.047 (0.036)	-0.030 (0.036)	-0.051 (0.045)	0.013 (0.039)
Traditional	-0.784** (0.319)	-0.579** (0.285)	0.124 (0.378)	0.419 (0.364)
Trade	-0.327 (0.389)	-0.272 (0.381)	0.353 (0.445)	-0.069 (0.369)
Business	-0.879** (0.404)	-0.558 (0.446)	0.006 (0.422)	0.053 (0.436)
Public	-0.418 (0.477)	-0.552 (0.451)	0.721 (0.589)	-0.618 (0.570)
Private	-0.627 (0.733)	-0.551 (0.459)	0.893 (0.675)	0.241 (0.518)
Casual	0.202 (0.325)	-0.032 (0.284)	0.596 (0.365)	0.541* (0.353)
ReIncome	0.002 (0.106)	0.156 (0.127)	0.368** (0.166)	0.111 (0.143)
MnIncome	-80.904 (56.364)	-326.342** (159.616)	11.156 (50.900)	65.250 (43.947)
Outgroup	-0.739*** (0.134)	-0.487*** (0.112)	-0.232 (0.205)	-0.456*** (0.176)
OutgroupK	0.613** (0.252)	0.734*** (0.248)	-0.612 (0.468)	0.056 (0.321)
Envy			0.003 (0.007)	0.012** (0.006)
Expectation			1.452*** (0.238)	
Competence	0.136	0.208*	-0.146	-0.103

	(0.111)	(0.115)	(0.182)	(0.133)
Warmth	0.269**	0.085	-0.069	0.309**
	(0.113)	(0.109)	(0.158)	(0.134)
Status	0.036	0.214*	-0.362**	-0.080
	(0.115)	(0.127)	(0.172)	(0.150)
Competition	-0.322***	-0.091	-0.102	-0.158
	(0.109)	(0.109)	(0.146)	(0.117)
Constant			-1.332	-0.726
			(1.460)	(1.297)
Pseudo R2	0.044	0.038	0.152	0.097
Observation	552	646	552	552

Note: We conducted ordered logit and logit regressions with village fixed effects. We adjusted standard errors for correlations within individuals. Robust standard errors are in parentheses. * Significant at the 10% level. ** Significant at the 5% level. *** Significant at the 10% level.

Figure A.1
Experimental Procedure

Vietnamese experimenter Pham Thanh Xuan reads a general instruction in Vietnamese.



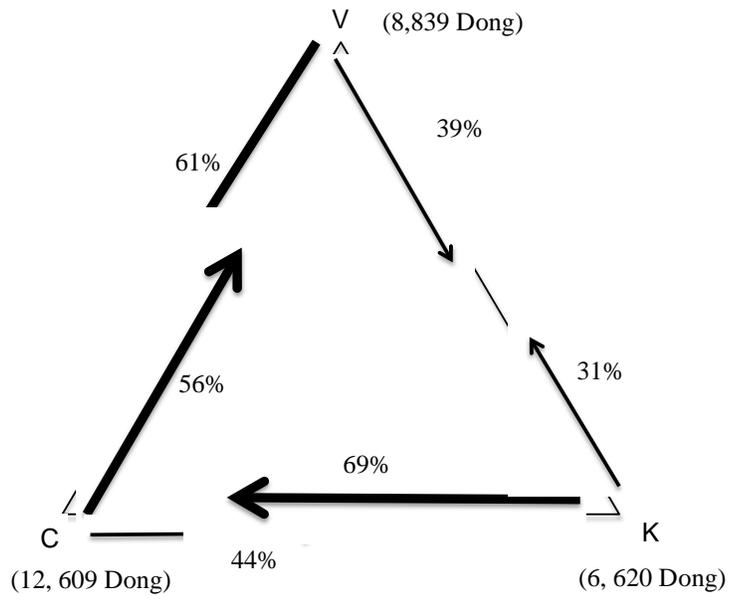
Khmer experimenter Danh Na Ret reads a general instruction in Khmer.



After the general instruction, subjects go out of the room. They receive instruction and record sheets for each game. Subjects are helped by research assistants when making decisions.



Figure A.2
Percentage of choices between groups in the coalition game



Game Instructions

Subjects first received the Introductory Comments as a group. Introductory Comments were written in Vietnamese and Khmer.

After the general instruction, subjects went out of the room, one by one, and a student assistant read the instruction for each game for each subject, and assisted the subjects to play each game. The order of roles within games was randomized across subjects. Here, we present a sample instruction for the case a subject played the role of Player 1 first in each game.

Introductory Comments

Thank you all for taking the time to come today. Today's session will take as much as 3 hours, so if you think you will not be able to stay that long let us know now. Before we begin I want to make some general comments about what we are doing and explain the rules we must follow. We will be playing several games with money. Whatever money you win in the games will be yours to keep and take home.

If you have any questions, please raise your hand and we will answer your questions in private. Please do not ask questions to your friends or talk about the game with them. Please remain quiet during the session. This is very important.

You will be playing games with people in White Group, Yellow Group, and Red Group. You will play each game with different person in different group.

We will ask you to leave this room one by one, and play the games in private. Please look around the room and remember who belongs to which Group. Once you leave this room, you won't have a chance to look at people in this room.

White Group is wearing white tags. Yellow Group is wearing Yellow tags. Red Group is wearing red tags.

Groups are based on ethnicity.

Game 1 (Battle of the Sexes, Player 1)

This game will be played by two people; Player 1 and Player 2. You are Player 1 in this game. Player 2 is someone in this session. You will never know who is Player 2, and Player 2 will never find out that you are Player 1.

Each player is going to choose between Left and Right.

If you choose Left and Player 2 also chooses Left, you receive 25,000 dong and Player 2 receives 15,000 dong.

If you choose Left and Player 2 chooses Right, nobody receives money.

If you choose Right and Player 2 chooses Left, nobody receives money.

If you choose Right and Player 2 also chooses Right, you receive 15,000 dong and Player 2 receives 25,000 dong.

	Player 2 chooses Left	Player 2 chooses Right
You choose Left	You earn 25,000 dong Player 2 earns 15,000 dong	Nobody receives money
You choose Right	Nobody receives money	You earn 15,000 dong Player 2 earns 25,000 dong

Quiz: If you choose Right and Player 2 chooses Right,
How much do you earn?
How much does Player 2 earn?

Pass / Fail

Quiz: If you choose Right and Player 2 chooses Left,
How much do you earn?
How much does Player 2 earn?

Pass / Fail

Quiz: If you choose Left and Player 2 chooses Right,
How much do you earn?
How much does Player 2 earn?

Pass / Fail

Quiz: If you choose Left and Player 2 chooses Left,
How much do you earn?
How much does Player 2 earn?

Pass / Fail

At this moment, we don't know who is going to be Player 2. We will randomly match you with someone in the session after everyone completes the games. So, please let us know your decisions, depending on the group of Player 2

We will never reveal your decisions to anyone.

Game 2 (Coalition Game, Player 1)

This game will be played by three people; Player 1, Player 2 and Player 3. You are Player 1 in this game. Player 1 and Player 2 are someone in this session. You will never know who are Player 1 and Player 2, and Player 1 and Player 2 will never find out that you are Player 1.

You are going to vote for one of the three plans.

Plan 12: You (Player 1) and Player 2 will receive 15,000 dong each.

Plan 13: You (Player 1) and Player 3 will receive 15,000 dong each.

Plan 23: Player 2 and Player 3 will receive 15,000 dong each.

	Plan 12	Plan 13	Plan 23
You (Player 1)	15,000 dong	15,000 dong	0 dong
Player 2	15,000 dong	0 dong	15,000 dong
Player 3	0 dong	15,000 dong	15,000 dong

Any plan that receives at least 2 votes will be executed. If no plan receives at least 2 votes, nobody earns money.

Quiz: If you and Player 2 vote for Plan 12, and Player 3 votes for Plan 13, which plan will be executed?

How much do you earn?

How much does Player 2 earn?

How much does Player 3 earn?

Pass / Fail

Quiz: If you vote for Plan 13, and Player 2 and Player 3 vote for Plan 23, which plan will be executed?

How much do you earn?

How much does Player 2 earn?

How much does Player 3 earn?

Pass / Fail

Quiz: If you vote for Plan 12, Player 2 votes for Plan 23, and Player 3 votes for Plan 13, which plan will be executed?

How much do you earn?

How much does Player 2 earn?

How much does Player 3 earn?

Pass / Fail

At this moment, we don't know who will be Player 2 and Player 3. We will randomly match you with two other people in the session after everyone completes the games. So, please let us know your decisions, depending on the groups of Player 2 and Player 3.

We will never reveal your decisions to anyone.

Game 3 (Envy Game, Player 1)

This game will be played by two people; Player 1 and Player 2. You are Player 1 in this game. Player 2 is someone in this session. You will never know who is Player 2, and Player 2 will never find out that you are Player 1.

As Player 1, you receive 12,000 dong. You must decide how much Player 2 should receive. Following your decision, we will give Player 2 either 0 dong, 5,000 dong, 10,000 dong, 12,000 dong, 15,000 dong, 30,000 dong or 60,000 dong.

At this moment, we don't know who will be Player 2. We will randomly match you with someone after everyone completes the games. So, please let us know your decisions, depending on the group of Player 2. Regardless your decision for Player 2, you will receive 12,000 dong.

We will never reveal your decisions to anyone.

Game 4 (Envy Game, Player 2)

This Game is the same as Game 3. You are now **Player 2** in this game. Player 1 will receive 12,000 dong, and decide how much you should receive. Following Player 1's decision, you will receive either 0 dong, 5,000 dong, 10,000 dong, 12,000 dong, 15,000 dong, 30,000 dong or 60,000 dong.

At this moment, we don't know who will be Player 2. We will randomly match you with someone after everyone completes the games. And you will never be matched with the same player as in Game 3.

Game 5 (Trust Game, Player 1)

This game will be played by two people; Player 1 and Player 2. You are Player 1 in this game. Player 2 is someone in this session. You will never know who is Player 2, and Player 2 will never find out that you are Player 1.

You may choose Plan A or Plan B. If you choose Plan A, you will receive 20,000 dong and Player 2 will receive 20,000 dong.

If you choose Plan B, then Player 2's choice will determine how much you and Player 2 will earn.

If Player 2 chooses Plan B1, you will receive 10,000 dong and Player 2 will receive 50,000 dong.

If Player 2 chooses Plan B2, you will receive 30,000 dong and Player 2 will receive 30,000 dong.

You choose Plan A	You choose Plan B	
	Player 2 chooses Plan B1	Player 2 chooses Plan B2
You: 20,000 dong	You: 10,000 dong	You: 30,000 dong
Player 2: 20,000 dong	Player 2: 50,000 dong	Player 2: 30,000 dong

At this moment, we don't know who will be Player 2. We will randomly match you with someone after everyone completes the games. So, please let us know your decisions, depending on the group of Player 2.

We will never reveal your decisions to anyone.

Game 6 (Trust Game, Player 2)

This Game is the same as Game 5. You are now **Player 2** in this game.

At this moment, we don't know who will be Player 1. We will randomly match you with someone after everyone completes the games. And you will never be matched with the same player as in Game 5.

Player 1 chooses Plan A	Player 1 chooses Plan B	
	You choose Plan B1	You choose Plan B2
Player 1: 20,000 dong	Player 1: 10,000 dong	Player 1: 30,000 dong
You: 20,000 dong	You: 50,000 dong	You : 30,000 dong

Please decide whether you would choose B1 or B2, if Player 1 has chosen Plan B.

We will never reveal your decisions to anyone.

Game 7 (Dictator Game, Player 1)

This game will be played by two people; Player 1 and Player 2. You are Player 1 in this game. Player 2 is someone in this session. You will never know who is Player 2, and Player 2 will never find out that you are Player 1.

As Player 1, you receive 10,000 dong. You must decide how to divide 10,000 dong between yourself and Player 2. You can give some, all or no money to Player 2, and keep the rest of money for yourself.

At this moment, we don't know who will be Player 2. We will randomly match you with someone after everyone completes the games. So, please let us know your decisions, depending on the group of Player 2.

We will never reveal your decisions to anyone.

Game 8 (Dictator Game, Player 2)

This Game is the same as Game 7. You are now **Player 2** in this game. Player 1 will receive 10,000 dong, and decide how to allocate the money between you and Player 1.

At this moment, we don't know who will be Player 2. We will randomly match you with someone after everyone completes the games. And you will never be matched with the same player as in Game 7.

Game 9 (Third Party Punishment Game, Player 1)

There are three players in this game - Player 1, Player 2, and Player 3. You are Player 1 in this game. Player 2 and Player 3 are someone in this session. You will never know who are Player 2 and Player 3, and they will never find out that you are Player 1.

Like in Game 7, you receive 10,000 dong as Player 1. You must decide how to divide 10,000 dong between yourself and Player 2. You can give some, all or no money to Player 2, and keep the rest of money for yourself.

Player 3 will be given 5000 dong. Player 3 will decide whether he/she wants to give up 1000 dong to subtract 3000 dong from the money you kept for yourself. If Player 3 decides not to give up 1000 dong, you will receive all the money you kept for yourself.

For example, suppose you decide to allocate 2000 dong to Player 2. If Player 3 decides to give up 1000 dong and reduce your money by 3000 dong, you receive 5000 dong (8000 dong minus 3000 dong). Player 2 receives 2000 dong, and Player 3 receives 4000 dong (5000 dong minus 1000 dong).

Player 3's decision depends on how much money you allocate to Player 2.

At this moment, we don't know who will be Player 2 and Player 3. We will randomly match you with someone after everyone completes the games. So, please let us know your decisions, depending on the groups of Player 2 and player 3. Please remember that your actual payment may reduce by 3000 dong if Player 3 decides to pay 1000 dong to subtract 3000 dong from your payment.

We will never reveal your decisions to anyone.

Game 10 (Third Party Punishment Game, Player 3)

This is the same as Game 9. There are three players in this game - Player 1, Player 2, and Player 3. You are Player 3 in this game. Player 1 and Player 2 are someone in this session. You will never know who are Player 1 and Player 2, and they will never find out that you are Player 3.

Player 1 will receive 10,000 dong. He/she will decide how to divide 10,000 dong between himself/herself and Player 2.

We will give you 5000 dong. You must decide whether you want to pay 1000 dong to subtract 3000 dong from the money Player 1 kept for himself/herself. If you decide not to pay 1000 dong to reduce Player 1's money, Player 1 will receive all the money he/she kept for himself/herself.

At this moment, we don't know who will be Player 1 and Player 2. We will randomly match you with someone after everyone completes the games. So, please let us know your decision for the following cases, depending on the groups of Player 1 and player 2.

If Player 1 decides to give Player 2 nothing and keep 10000 dong for himself/herself, do you want to pay 1000 dong and subtract 3000 dong from Player 1's payment?

If Player 1 decides to give Player 2 1000 dong and keep 9000 dong for himself/herself, do you want to pay 1000 dong to subtract 3000 dong from Player 1's payment?

If Player 1 decides to give Player 2 2000 dong and keep 8000 dong for himself/herself, do you want to pay 1000 dong to subtract 3000 dong from Player 1's payment?

If Player 1 decides to give Player 2 3000 dong and keep 7000 dong for himself/herself, do you want to pay 1000 dong to subtract 3000 dong from Player 1's payment?

If Player 1 decides to give Player 2 4000 dong and keep 6000 dong for himself/herself, do you want to pay 1000 dong to subtract 3000 dong from Player 1's payment?

If Player 1 decides to give Player 2 5000 dong and keep 5000 dong for himself/herself, do you want to pay 1000 dong to subtract 3000 dong from Player 1's payment?

We will never reveal your decisions to anyone.

Section A.1: Policy institutions reflecting paternalistic treatment of the Khmer

Field data suggests that many aspects of social welfare systems in southern Vietnam parallel the experimental behavior, showing relative favoritism toward effectively helping the Khmer. The 2002 World Bank living standard household survey (Phung and Phong 2006) data which we used to measure sociodemographic variables also includes information on whether respondents receive free health insurance, land tax exemptions, and educational scholarships for their children between the ages of seven and fifteen. The Khmer do receive more of these subsidies overall. However, since these subsidies are disproportionally shared by low-income citizens (and correlated with other variables), it is possible that the disproportional Khmer take-up of subsidies is due entirely to their lower income as a group. The general survey data permit us test this hypothesis. Table A.1 contains the logistic regression results for take-up of the three subsidies (the dependent variable), controlling for village fixed effect, income, gender, and whether household heads are war veterans or are disabled.

Income does have a strong negative effect (poorer households generally take up more subsidies). But Khmer households are also significantly more likely to receive these welfare benefits, even after controlling for income and other variables.

This field evidence shows that some governmental policies favor the outgroup Khmer. Our experimental games were not specifically designed to resemble policy choices of health, tax and education subsidies; so it is by no means clear that sharing and punishing unfair sharing in simple experiments will show parallel results. However, the lab and field data turn out to both be consistent with an interpretation of the Vietnamese as generally choosing both experimental behaviors and social policies which erase typical outgroup discrimination (making an exception for the Khmer), as shown in the experiments, or actively subsidizing the Khmer, as shown in the social policies.

In fact, subsidies of various sorts are a common way to help low-status groups. Specialized trade allowances include legalized casino gambling allocated to Native American tribes in the United States. Alaskan Inuits have a special allowance to carve walrus ivory and “transform” other marine mammal parts and distribute them within the

US. Aboriginal First Nations Canadians are allowed to make cigarettes that are tax-free (reducing their price by 80%).

Table A7

Fixed-effect logistic regression results for determinants of getting subsidies in the Mekong Delta in 2002

	Free health insurance	Tax exemption	Scholarships (for children ages 7-15)
Income	-111.45*** (13.39)	-101.95*** (9.52)	-31.13*** (2.28)
War veteran	1.54*** (0.23)	0.71*** (0.20)	0.69*** (0.12)
Disabled	1.98*** (0.35)	1.30*** (0.31)	0.12 (0.34)
Female	-0.06 (0.19)	-0.15 (0.14)	-0.04 (0.14)
Khmer	0.67* (0.35)	0.89*** (0.24)	1.54*** (0.18)
Chinese	-21.42 (35782.57)	0.86 (0.57)	0.17 (0.33)
Constant	-2.90*** (0.253)	-1.92*** (0.17)	0.26*** (0.08)
Log likelihood	-705.24	-1176.84	-4122.06
N	6298	6298	6886

Note: *** Significant at the 1% level. ** Significant at the 5% level. * Significant at the 10% level. Standard errors are in parentheses. We controlled for village fixed effects.