

Fighting Poverty at Home and Abroad: Explaining Attitudes Towards Redistribution

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October 26, 2013

2013 Meeting of the International Political Economy Society

Foreign Aid Support Gap

We observe that American public support for domestic redistribution is higher than support for foreign redistribution.

- What explains the foreign aid support gap?

What explains the gap?

Three categories of explanatory variables

- Beliefs about Recipients
- Beliefs about Institutions
- Morality

Beliefs About Recipients

- Respondents have greater *affinity* to domestic poor than foreign poor.
- Domestic poor more *needy* than foreign poor.
- Domestic poor more *deserving* than foreign poor.

Beliefs About Institutions

- Foreign aid less *effective* than domestic aid.
- Greater *tradeoffs* in funding foreign aid than domestic aid.

Morality

- Government has greater *moral* obligation to help the domestic poor than the foreign poor.

Survey Experiments

Two survey experiments on nationally representative samples of Americans.

- Fact sheet experiment (February 2013, N=2000)
- News article experiment (July 2013, N=1000)

News Article Experiment

U.S. Officials May Cut Government Hunger Relief Program Program Gives [Cash / Food] To [Poor Americans / The Poor Overseas]

WASHINGTON, D.C. –U.S. government officials are considering cutting a government hunger relief program. It helps 150,000 people living below the poverty line in [the United States / other countries]. Through the program, the U.S. government distributes [cash / food packages] to program recipients. It costs the U.S. government \$100 million each year. Officials hope to reach a decision about the program soon.



OR



People at program distribution center. Photo: AGP news

News Article Experiment

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OR



People at program distribution center. Photo: AGP news

- Do you think U.S. officials should cut the program or should not cut the program?

Main Effects

Greater support for domestic redistribution than foreign redistribution.

	Percent Support
Foreign	44.4 (40.0, 48.2)
Domestic	64.6 (60.3, 68.1)
Total Effect	-20.2 (-25.8, -14.4)

Causal Mediation

Recipient Nationality \longrightarrow Aid Support

Causal Mediation

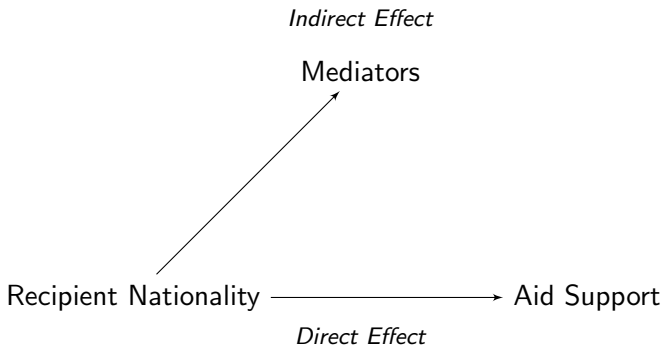


Causal Mediation

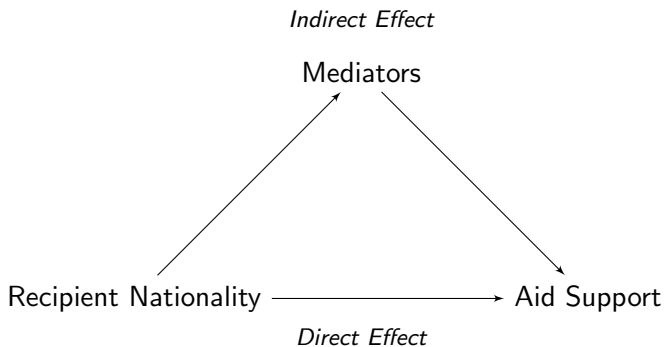
Indirect Effect



Causal Mediation



Causal Mediation



Mediators

Beliefs about Recipients

- *Affinity*: How close do you feel, in terms of your ideas and interests, to the recipients of this program?
- *Need*: How many complete meals per day do you think program recipients had before receiving assistance from the U.S. government?
- *Deservingness*: Why do you think most people who receive assistance from this U.S. government program are poor? “Because they don’t work hard enough” to “Because of circumstances beyond their control.”

Mediators

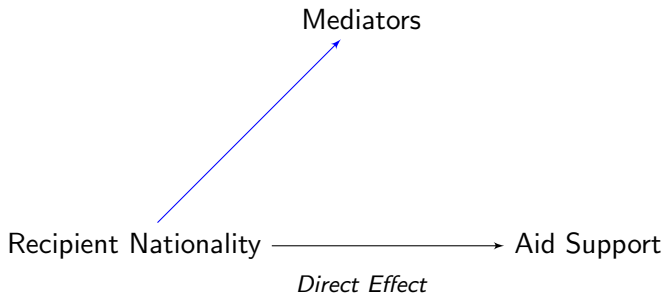
Beliefs about Institutions

- *Effectiveness*: How likely do you think it is that this U.S. government program will reduce hunger?
- *Tradeoff*: How likely do you think it is that this program will reduce the money available for other U.S. government priorities?

Morality

- *Morality*: Do you agree or disagree that the U.S. government has a moral obligation to assist the recipients of this program?

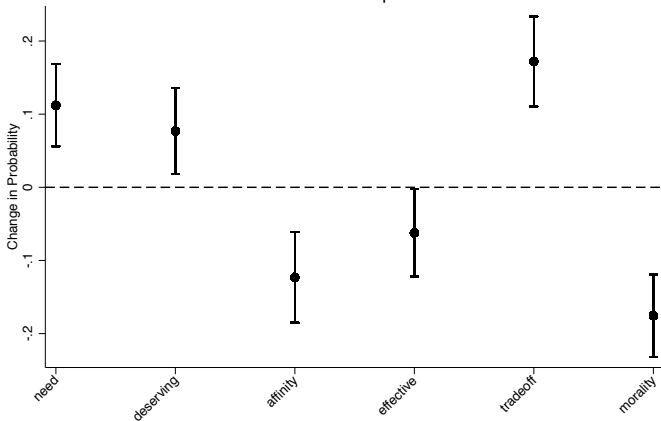
Causal Mediation



Mechanisms

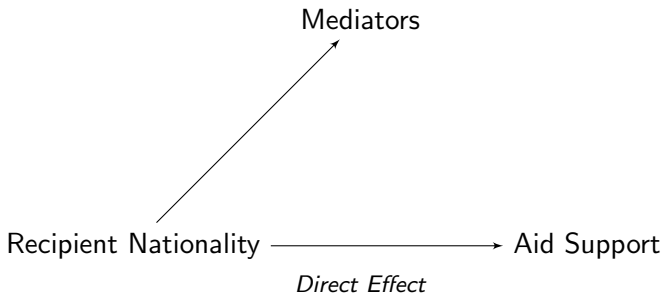
Change in Mediators by Nationality (Foreign=1)

News Article Experiment

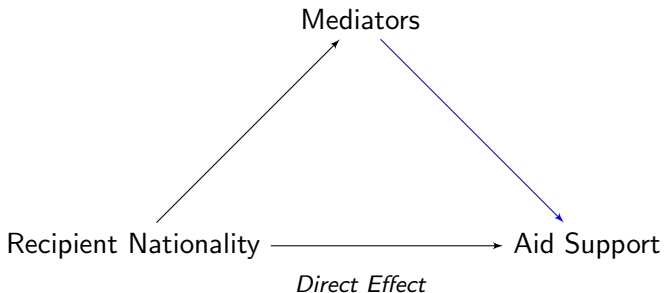


Predicted probabilities from probit models.

Causal Mediation



Causal Mediation

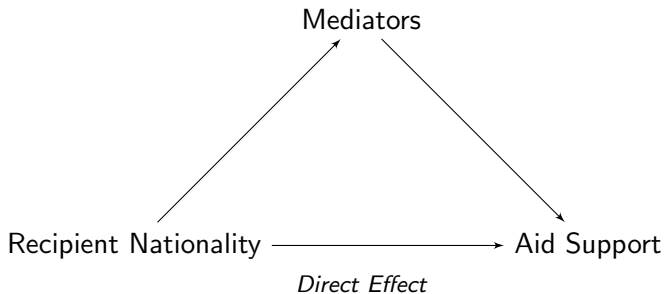


Probit Model of Aid Support

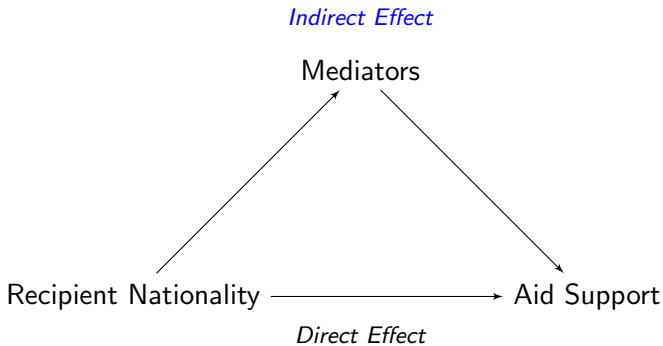
Variable	Coefficient
Nationality (Foreign=1)	-0.47*** (0.122)
Affinity	0.15 (0.126)
Need	0.51*** (0.140)
Deserving	0.23* (0.133)
Effective	0.61*** (0.130)
Tradeoff	-0.84*** (0.125)
Morality	1.49*** (0.139)
Observations	906
Pseudo R2	0.54

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Causal Mediation



Causal Mediation



Indirect Effects

	ACME	ACME/Total Effect
Affinity	-0.5 (-1.3, 0.3)	.03
Need	0.7* (0.1, 1.6)	-.04
Deserving	0.2 (-0.1, 0.7)	-.01
Effective	-1.3* (-2.5, -0.4)	.07
Tradeoff	-2.6* (-4.1, -1.3)	.10
Morality	-7.6* (-10.7, -5.0)	.38
Total Indirect	-11.1	.55

* $p < 0.05$

Results Summary

- Individuals prefer domestic redistribution to foreign redistribution.
 - Holding constant type of program (hunger relief), cost, and number of recipients.
- Beliefs about institutions and the morality of government action drive effect of nationality on individual support.
- Beliefs about recipients have little effect.

Further Questions

- Is there a similar gap between domestic and foreign redistribution through private charity?
 - Follow-up study suggests maybe not.
- How does the gap vary across different types of respondents?
 - Do conservatives just oppose both equally? (appears so)
- Is the gap in support between domestic and foreign redistribution just an American phenomenon?

Thank you!

Fact Sheet Experiment

U.S. GOVERNMENT PROGRAM TO REDUCE HUNGER IN [OTHER COUNTRIES/THE UNITED STATES]

Program Fact Sheet

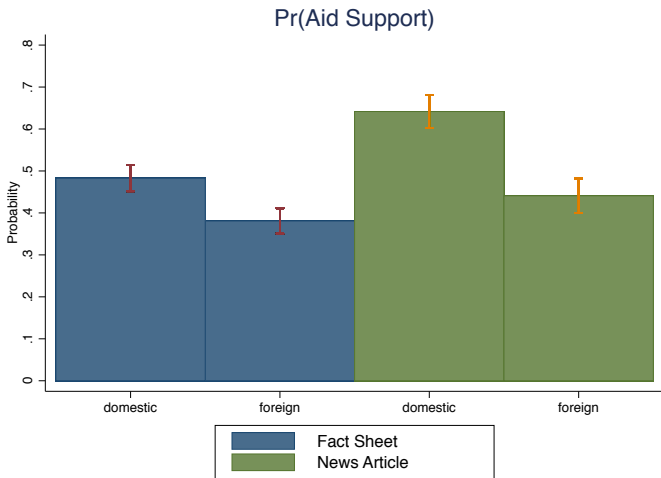
Program Description

- The U.S. government provides food packages to supplement the diet of program recipients.
- The cost of the program is \$100 million and it helps around 75,000 people in [other countries/the United States] meet their dietary needs.

Recipient Background

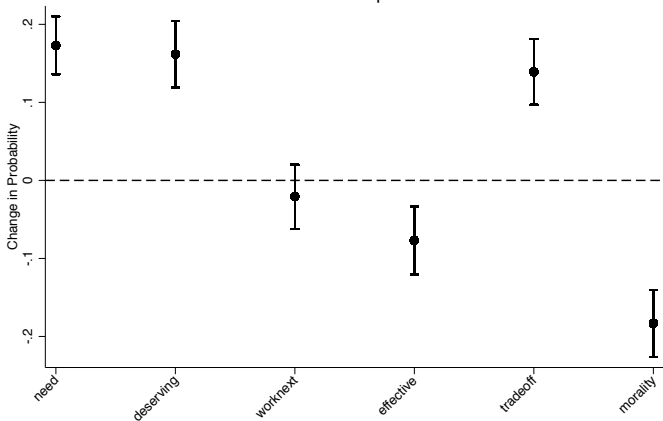
- All recipients are below the poverty line.
- 60% of recipients are women.
- Most recipients [do not work/are working].
- [80% of recipients are black, 9% are white, 11% are of another racial background/
80% of recipients are white, 9% are black, 11% are of another racial background].

Main Effects



Mechanisms, Fact Sheet

Change in Mediators by Nationality (Foreign=1)
Fact Sheet Experiment



Predicted probabilities from probit models.

Probit Model of Aid Support

	<i>Fact Sheet</i>	<i>News Article</i>
Nationality (Foreign=1)	-0.09 (0.078)	-0.47*** (0.122)
Need	0.09 (0.090)	0.51*** (0.140)
Deserving	0.34*** (0.080)	0.23* (0.133)
WorkNext	0.11 (0.084)	
Affinity		0.15 (0.126)
Effective	0.88*** (0.080)	0.61*** (0.130)
Tradeoff	-0.27*** (0.079)	-0.84*** (0.125)
Morality	1.13*** (0.084)	1.49*** (0.139)
Observations	1,815	906
Pseudo R2	0.37	0.54

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

Motivation

Theory

Methodology

Results

Further
Questions

Indirect Effects

	<i>Fact Sheet</i> ACME	ACME/Total	<i>News Article</i> ACME	ACME/Total
Need	0.3 (-0.3, 1.0)	-.03	0.7* (0.1, 1.6)	-.04
Deserving	1.3* (0.6, 2.2)	-.13	0.2 (-0.1, 0.7)	-.01
WorkNext	-0.1 (-0.4, 0.4)	.01		
Affinity			-0.5 (-1.3, 0.3)	.03
Morality	-7.0* (-9.0, -5.0)	.70	-7.6* (-10.7, -5.0)	.38
Effective	-2.3* (-3.7, -1.0)	.23	-1.3* (-2.5, -0.4)	.07
Tradeoff	-0.8* (-1.5, -0.3)	.08	-2.6* (-4.1, -1.3)	.10
Total Indirect	-8.6		-11.1	

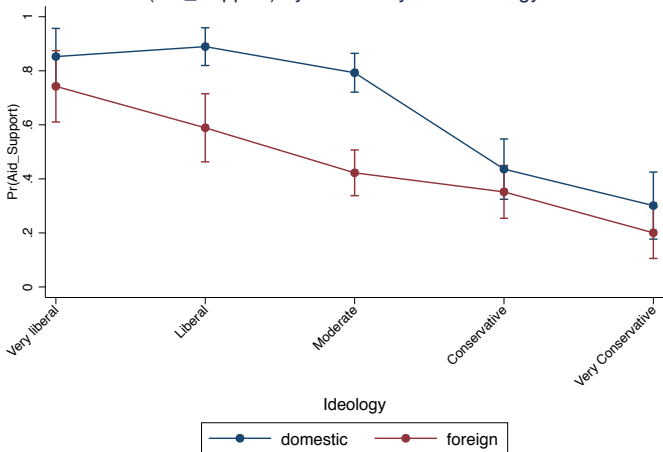
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Estimating Indirect Effects

- 1 Model Aid Support and Mediators letting Y_i be Aid Support, T_i be *Foreign*, M_i be the mediator of interest, W_i be a vector containing the other mediators, and X_i be a vector of pre-treatment respondent characteristics.
 - Aid Support model: $p(Y_i | T_i, M_i, W_i, X_i)$
 - Mediator model: $p(M_i | T_i, X_i)$
 - Use any model form to estimate. In this paper, all models are probit regressions.
- 2 Predict mediator for both treatment values ($M_i(1), M_i(0)$)
- 3 Predict Aid Support by first setting $T_i = 1$ (foreign) and $M_i = M_i(0)$, and then $T_i = 0$ (domestic) and $M_i = M_i(1)$
- 4 Compute the average difference between the two outcomes to obtain the estimate of the ACME.
- 5 Use Monte-Carlo simulations to estimate uncertainty.

Ideology Moderator

Pr(Aid_Support) by Nationality over Ideology



Observable Implication

Beliefs about institutions and the morality of government action most important mechanisms behind gap in support for foreign aid.

- Observable implication: That gap should not exist for a private charity option as it eliminates those causal channels.

Observable Implication

“U.S. officials are also considering letting Americans donate up to \$100 to help fund this government hunger relief program. Of course, there are private charity organizations that also have hunger relief programs. If you had the choice between donating to this U.S. government program, an identical program run by a private charity organization, or keeping some for yourself, how would you divide your \$100? Please indicate the dollar amount using the sliders. Answers must total \$100.”

Observable Implication

	Coefficients	Marginal Effect of Nationality
Gov Give	-0.40*** (0.16)	-8
Gov Amount	0.05 (0.10)	-2
Charity Give	0.19 (0.16)	5
Charity Amount	-0.02 (0.09)	-1

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$