

The Effect of Ancestral Roots on Foreign Aid

Political Science

PO107

With recent world events, particularly the conflicts in Ukraine and Gaza, and the outcry of Americans over USA's role in them, USA and its foreign policies once again attract much public attention. Emphasizing the importance of US foreign aid spending is United States continuous position as one of the main donors of the world (Schindlmayr, 2001). Unfortunately, both despite US prominence as a donor and because of it, most Americans oppose the extent of the government's spending on foreign aid (Prather, 2013). Finding reasons for this opposition and determining the factors affecting it have become central to studying the nation's foreign spending trends.

Various studies have examined the factors affecting US government spending, both domestic and foreign. Gender, annual income, religion, and ethnicity are individual characteristics which all have significant effects on a person's views about the various US government spending (Eichenberg & Stoll, 2011; Soroka, Stuart, & Wlezien, 2008; Sapienza, Zingales, & Guiso, 2006). Women are far less supportive of defense spending than men (Eichenberg and Stoll, 2011). This gender difference is present through all changes in situation, such as unemployment and war (2011). On the other hand, income has a small and insignificant effect on all views of domestic federal spending and could be ignored as a factor if not for the significantly higher support for welfare spending in the lower income bracket (Soroka, Stuart, & Wlezien, 2008). Thus, income has a significant effect regarding views about welfare spending. Another important factor in federal spending preferences is ethnic origin, defined through country of family origin. In fact, Americans from African countries, Canadian Americans, and Americans from Hispanic countries are significantly more in favor of domestic redistribution than all others while Japanese Americans are the least supportive (Sapienza, Zingales, and Guiso, 2006). Support for government intervention to solve domestic poverty carries over to

international poverty, thus those supporting measures such as domestic redistribution will most likely support foreign aid as well (Milner, 2010). Ethnic origin subsequently becomes a predictor for not only domestic aid spending but also a possible predictor for foreign aid spending. The value of ethnic origin as such a predictor remains unknown.

Factors outside the donor countries also affect public support for foreign aid spending and, subsequently, the foreign aid spending itself. As factors affecting public support, along with donor country public characteristics appear characteristics of the countries receiving the aid. Particularly effective appears to be the image of how the receiving country is surviving, or thriving as the case may be. The factor best representing the economic situation in the receiving country and thus determining its further need for aid to both the American public and government is taken to be the imports of that country to the donor country (Lunsgaarde, Breunig, & Prakash, 2007). In fact, as soon as imports to the donor country from the developing country increase foreign aid to that country decreases (2007). The same result is not seen with direct investments of donor country firms in the developing country, which provide no influence on foreign aid budgets, perhaps correlating with the equally ineffective, at least in terms of affecting foreign aid, foreign policy (2007). International happenings, both outside and inside the developing country, do not have much effect on foreign aid received (2007). Thus the economic conditions in the receiver nation play a large role in public opinions on foreign aid the nation should receive.

The receiver nation's characteristics are made known to the public through the media, giving media attention a heavy leverage on creating views of foreign aid. It both forces donor countries to support foreign aid when focused on an issue and to decrease support when not, thus contributing to the issue-attention cycle by creating the period between a new issue coming up

and loss of interest in it (Schindlmayr, 2001). Media coverage contributes to the inner nature of the public, which in turn manipulates public policy attitudes. Thus choosing to favor prevention over promotion or vice versa effectively predicted views on governmental actions. When one prefers prevention, otherwise known as security, government intervention in perceived security-areas such as the Iraq War is supported (Lucas and Molden, 2011). In such a case a person, or a nation, focused on preserving security would support policy for increasing or maintaining foreign aid, whatever form it may take, and support for foreign aid at that time would be unusually high. While media has little to do with people's ethnic origin, the ethnic environment cultivated around a person contributes to how a person perceives and follows the media, as well as to their choosing promotion or prevention.

As important as the public's views are for foreign aid decisions, at any time foreign aid is decided on by two sources: the public and Congress. There are systematic influences on legislator's votes on foreign aid. Legislators vote based on the voter preferences of their districts constituents, even if the voters don't inform the legislators of their preferences through lobbying. As explained by the Stolper-Samuelson theory, districts with good capital will support foreign aid while those with a good labor force will oppose it if the foreign aid will have domestic consequences (Milner and Tingley, 2010). Ideologically, left-leaning districts, predominantly Democratic, will support foreign aid more than right-leaning districts, predominantly Republican, except in the case of military aid (2010). Demographic characteristics of Congressmen's districts and of the Congressmen themselves also significantly affect the Congressmen's votes on foreign aid legislation. Race and religion of a Congressman were both significant predictors of his vote as was the socioeconomic status of his district (Uscinski, Rocca, Sanchez, and Brenden, 2009). Thus a congressman's race, political affiliation and religion are all

effective predictors of his views on foreign aid. Similarly his district's socioeconomic status and labor force are a major force in deciding his vote.

Unfortunately, Americans care far less about foreign aid than they do about domestic aid and the government's domestic spending (Fleck and Kilby, 2001). In fact, the public of Europe demonstrates more support for international involvement than the American public (Busby and Monten, 2012). Mirroring their public's opinions on foreign aid, as shown by Milner and Tingley (2010), for Congressman even the added force of USAID contract spending meant to influence Congressman's decisions in favor of foreign aid had very little influence (Fleck and Kilby, 2001). However, on average party elites of both the Democratic and the Republican parties are more internationalist and supportive of foreign aid than the American public, both of their parties and in general (Busby and Monten, 2012).

Still each legislator tries to satisfy his district by keeping himself informed of and acting on its preferences. Thus many factors influencing the public views on foreign aid also influence legislator's decisions about foreign aid. One such factor is domestic conditions, which influence foreign policy bipartisanship (Trubowitz and Mellow, 2011). Governmental acts such as increasing the military bring citizens' attention to foreign affairs and affect their views on foreign aid, simulating and using the effect of the media (2011). In the domestic economy, increase in unemployment leads to decrease in foreign aid so that the nation can garner the resources to focus on its poor domestic economic conditions (2011). Similarly "informing" the public of an unhealthy economy, outsourcing of jobs and income disparities reduce general support for international engagement (2011).

Also similar to the factors influencing the legislators in their decisions are the individual characteristics of each person in the public. Support for foreign policy is directly correlated with

the ethnic and religious identities of people. In Turkey, for example, the Muslims, Kurds, and Turks provide the most support for Turkey's current foreign policy (Ciftci, 2013). Similarly, in the USA certain groups are more supportive of the current foreign policy than others. The world values survey, having a broader sample pool than just Turkey, provides information that disproves the significance of religious identity in terms of support for foreign aid but does find devotion to religion significant (Knack and Paxton, 2008). Similarly significant and perhaps explaining the higher support of foreign aid among political elites, interest in politics increases support of foreign aid as does being born outside America (2008). Thus having a lesser connection to American ideals and stronger ties to the home country significantly increases support for foreign aid.

Very destructive to foreign aid is the individual's view of the US government and the world. Having divided aid into two categories - domestic and foreign - Americans proceed to choose domestic aid as the more important for the US government to provide (Prather, 2013). This decision does not find its source at the international level in the description of the foreign poor but instead at the governmental level in America (2013). In fact, while finding the foreign poor more deserving Americans see the domestic poor as part of the government's moral obligation and domestic aid as more effective (2013). This belief forms the theory of cosmopolitan respect versus patriotic concern with cosmopolitan respect covering foreign aid and patriotic concern covering domestic aid. It presents patriotic concern over cosmopolitan respect but only if much domestic aid is still needed, otherwise it purports that the public will support both kinds of aid equally (Miller, 1998).

Accepting that foreign aid will, for a large length of time, still be in second place and focusing on the factors affecting foreign aid and public spending policies, one notices that while

country of family origin is addressed in terms of domestic aid, it is not addressed in terms of foreign aid. Despite the abundance of researches concerning views on government spending, both domestic and foreign, none have examined the effect people's ethnic origin has on those views. This study fills in that void. The research question I focus on answering is: does country of family origin have an effect on support for foreign aid? I expect that since emigrants from different nations carry with them the characteristics associated with their nations to their new residences and retain them through generations country of family origin should have some effect on support for foreign aid (Guiso et al., 2004; Bisin and Verdier, 2000). I hypothesize that persons not born in US and with ancestral roots in the Scandinavian countries should more readily support foreign aid spending while persons with Italian, Canadian and German roots should more readily oppose it.<sup>1</sup>

### Methods

The data used for the study came from the *General Social Survey* (2012). The GSS contains individual demographic characteristics along with various questions on religious identity, political position, and opinions on current issues for 1,974 people, all 18 years old or older. Of the participants, 886 are males and 1088 are females. English-speaking and Spanish-speaking individuals living in the United States in 2012 are the focus of the survey.

To measure the dependent variable for this study, Foreign Aid, participants were asked "We are faced with many problems in this country, none of which can be solved easily or inexpensively. I'm going to name some of these problems, and for each one I'd like you to tell me whether you think we're spending too much money on it, too little money, or about the right

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<sup>1</sup> To predict the countries of origin most likely to support foreign aid, 2012 data on percentages of GDP committed to foreign aid from the Development Assistance Committee of the OECD was used.

amount on foreign aid.” The response was trichotomous and coded with increasing opposition such that a 1 indicated that too little money being spent, a 2 indicated that just the right amount being spent, and a 3 indicated that too much money being spent.

The independent variable was Country of Family Origin, with 42 distinct choices in answer to the question “From what countries or part of the world did your ancestors come?” The second independent variable was Born in answer to the question “Where you born in this country?” For the purposes of this study both variables were recoded into dummy variables in order to allow a regression to be run. Also only 14 (Africa, Norway, American only, Other Spanish, Mexico, Canada, India, England, American Indian, Germany, Ireland, Italy, Spain, Sweden) of the 42 country of family origin options were used. The options used were selected based on the list of countries created by the Development Assistance Committee and used in crafting the hypothesis, and based on having a sufficient sample size.

To confirm previous studies, the preferences of all the participants in foreign aid spending were recorded in the form of the percentage choosing each option for the foreign aid question. Then the action was repeated but this time separated into two groups: either born in the US or not.

Next, a linear regression was run with Foreign Aid as the dependent variable and the country of origin dummies for the 14 countries as the independent variables. Control variables instituted were ones found to have an effect on public policy support in previous studies: age, highest degree, gender, race, religious preference, political affiliation, and class identification. To compare the support for each country of origin a cross tabulation was run to find the number of people choosing the too much money option for each country and the total number of people interviewed from each country. Then a bar graph was created comparing the percentages of

participants choosing that too much is spent on foreign aid out of the total number of participants for each country of origin.

## Results

Figure 1 shows that a large majority of participants, 63.87%, believe that US spends too much on foreign aid and only 8.49% believe that it spends too little. The place of birth has a statistically significant effect on support for foreign aid,  $F(6, 917) = 7.709, p < 0.001$  (Table 1). Figure 2 demonstrates the higher support people born outside the US provide for foreign aid spending, only 51% of them believes that US spends too much on foreign aid, a high number of people by itself but significantly less than the 66% of people born in the US who hold the same opinion.

Country of family origin has a statistically significant effect on foreign aid,  $F(22, 887) = 3.655, p < 0.001$  (Table 1). The effect is small, only 0.83% of the variation in support for foreign aid can be explained by variations in country of family origin. Of the 14 regions of origin used only 3 were statistically significant: Other Spanish regions,  $p < 0.05$ ; Mexico,  $p < 0.01$ ; Norway,  $p < 0.05$  (Table 1).

Figure 3 shows that Americans with roots in Norway are the least opposed, at 0%, while those with roots in Spain are the most opposed at 77.78%. At the least opposed end of the graph, the second least opposed group are the people identifying themselves as only American (9.52%), not American Indians, the third are various Spanish regions, the fourth Mexico, and the fifth Canada. On the other side of the spectrum, after Spain, the most opposition come from groups with roots in Italy, then Ireland followed by Germany.

## Discussion

Recent global events have shook the world on its axis and awakened the American public to once more care about its government's actions in foreign lands, including the aid it provides. At a time when many have taken sides on the debate over the foreign aid America should provide, it is important to once again look over the factors affecting people's choices regarding foreign aid. This study examined the effect of country of family origin on support for foreign aid spending, which is very relatable now with people on both sides of the conflicts living in the United States side-by-side.

Immigrants from different nations carry with them the characteristics of the people of their regions to their new locations and later instill these same characteristics in their children, ensuring that country of family origin is a defining factor for people (Guiso et al., 2004; Bisin and Verdier, 2000). Thus a voter's country of family origin can successfully explain his or her views on current USA foreign aid spending. Previous researches on foreign aid and other economic policies mention various factors affecting support for such policies at both the public and the congressional levels but none address participants' county of family origin, or ethnic origin and its effect on support for foreign aid spending (Eichenberg and Stoll, 2011; Soroka and Christopher, 2008; Sapienza, Zingales, and Guiso, 2006; Milner and Tingley, 2010; Uscinski et al., 2009; Knack and Paxton, 2008; Ciftci, 2013).

My data shows that country of family origin is a factor in describing support or opposition to foreign aid spending by the USA government, allowing me to reject the null hypothesis. Thus country of family origin has an effect on foreign aid views. Although the relationship between country of family origin and position on foreign aid spending is weak, it is nonetheless significant. The data supports the implications of the findings of Guiso et al. (2004)

and Bisin & Verdier (2000), specifically that beliefs are carried over from country of origin by ancestors and passed on to descendants. It also signifies their relevance to opinions on foreign aid specifically.

Comparing the views of different nations on foreign aid, based on the percentage of their GDPs devoted to foreign aid, and the views held by Americans with roots in these nations many similarities can be seen. While my hypothesis was not fully proven true, it was supported in parts. Norway is at the top of both lists, providing the least opposition to foreign aid spending and the second highest GDP commitment. Sweden, with the most GDP commitment, is not as opposed to foreign aid spending as many other countries of origin. On the other side of the spectrum, Italy and Germany are both on the lower side of GDP commitment and people citing them as their countries of origin turn out to be some of the most opposed to foreign aid spending.

The findings suggest that not only domestic aid, in the form of redistribution, but also foreign aid is affected by country of family origin or ethnic origin. In fact, the effects are somewhat similar, with most of the countries of origin retaining similar positions on both redistribution and foreign aid (Sapienza, Zingales, and Guiso, 2006). Thus, the same reason can hold for support for foreign aid as for domestic redistribution, namely that the groups most opposed to foreign aid are generally from countries who first sent their people to American soil, thus giving them more time to absorb American ideals. The findings also suggest that generations after generations of families with roots in many other nations, while Americanizing over the years, maintain certain ethnic characteristics, which enable them to hold similar beliefs to those still living in their countries of origin and others living in American with the same countries of origin. This is particularly important for the United States, which is a melting pot of

cultures and ethnic origins. Thus understanding the effect of this diversity on important public policies is paramount.

Researches investigating the effect of the preferences of a Congressman's district on his/her congressional decisions on foreign aid spending find a significant correlation (Milner and Tingley, 2010; Uscinski et al., 2009). This suggests that the dominant country of family origin in each district would affect the foreign aid decision of each Congressman (2009). Finding whether the view on foreign aid held by the dominant country of family origin in a district affects the decision supported by the Congressman is a possible future research.

To further understand foreign aid one has to look at it globally, zooming out of focusing just on the USA. More future research should attempt to find the factors affecting foreign aid at both the individual and the legislative level in all the donor countries of the world. As per this study, country of origin and its effect on foreign aid support should be examined in the remaining 20 donor countries as none of them are quite as diverse as the United States, so seeing if the effect of diversity remains even as the diversity decreases should be part of filling out our knowledge and understanding of foreign aid.

In the future, a study should be done similar to this one but with a base in the current years (2014, 2015) to study how the different factors identified as predicting support for foreign aid stand up under the stress of current events. Although previous research found that world events such as the Cold War had no effect on foreign aid support, the resources available now were not available then and America was different (Lundsgaarde, Breunig, and Prakash, 2007). It is important to see how the events of today have affected the effects of country of family origin, political affiliation, age and others on foreign aid support by the people.

As it stands, foreign aid remains an important topic for research and discussion as it is largely responsible for helping developing countries develop. It is an important part of foreign policy and shapes many international relations. This study, significantly identifying another factor affecting support for foreign aid for present and future necessities, is another piece of the puzzle needed to understand foreign aid and use it to its best advantage in improving lives all over the world.

### Appendix

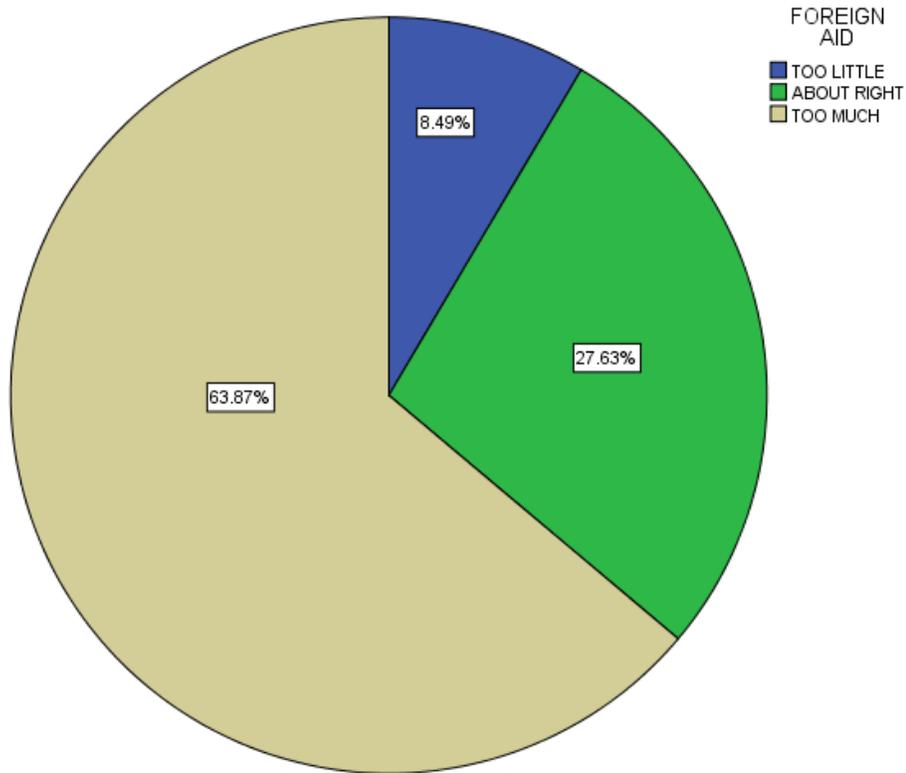


Figure 1. Views, in percent, regarding how much the US government spends on foreign aid

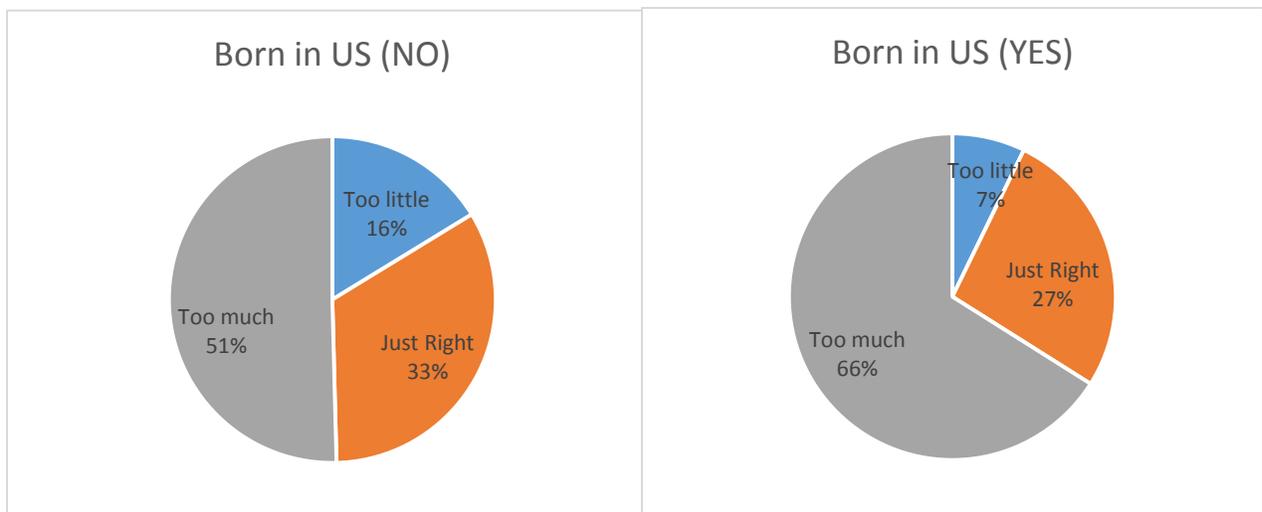


Figure 2. Views on foreign aid spending of the US government, separated by place of birth (born in US or not)

The Effect of Ancestral Roots on Foreign Aid

Variable	Unstandardized Coefficients		Standardized Coefficients		Significance (p)
	Beta	Standard Error	Beta	t	
Constant	2.32	0.15		15.25	0.00
USBorn	0.19	0.08	0.10	2.41	0.02
Africa	-0.04	0.09	-0.02	-0.41	0.68
Russia	0.33	0.29	0.04	1.14	0.25
Canada	-0.22	0.22	-0.03	-1.00	0.32
India	0.20	0.19	0.04	1.06	0.29
Yugoslavia	0.21	0.37	0.02	0.56	0.58
America	-0.09	0.15	-0.02	-0.63	0.53
China	0.14	0.25	0.02	0.57	0.57
Japan	-0.38	0.37	-0.03	-1.03	0.31
England and Wales	-0.07	0.09	-0.03	-0.81	0.42
Denmark	0.35	0.45	0.03	0.79	0.43
American Indian	-0.15	0.10	-0.05	-1.46	0.14
Belgium	-0.47	0.63	-0.02	-0.74	0.46
Romania	0.45	0.45	0.03	1.01	0.32
Other Spanish	-0.38	0.18	-0.08	-2.14	0.03
Austria	-0.27	0.37	-0.02	-0.73	0.47
Finland	0.09	0.32	0.01	0.29	0.77
France	-0.08	0.24	-0.01	-0.32	0.75
Germany	-0.04	0.08	-0.02	-0.46	0.64
Greece	-0.46	0.24	-0.06	-1.87	0.06
Hungary	0.31	0.37	0.03	0.83	0.41
Ireland	0.02	0.08	0.01	0.21	0.83
Italy	0.06	0.11	0.02	0.53	0.60
Mexico	-0.26	0.10	-0.10	-2.52	0.01
Netherlands	0.16	0.32	0.02	0.50	0.62
Norway	-0.88	0.37	-0.08	-2.40	0.02
Poland	-0.20	0.15	-0.04	-1.30	0.20
Puerto Rico	-0.51	0.26	-0.06	-1.93	0.05
Scotland	0.24	0.16	0.05	1.51	0.13
Spain	0.20	0.16	0.04	1.29	0.20
Sweden	-0.01	0.18	0.00	-0.04	0.97
Switzerland	0.11	0.29	0.01	0.39	0.70
Portugal	-0.15	0.32	-0.02	-0.47	0.64
Lithuania	0.43	0.45	0.03	0.95	0.34
Arabic	-0.46	0.45	-0.03	-1.03	0.30
Other Asian	0.10	0.23	0.02	0.44	0.66
Other European	0.03	0.37	0.00	0.09	0.93

Table 1. Results of the multiple regression model using foreign aid as the dependent variable

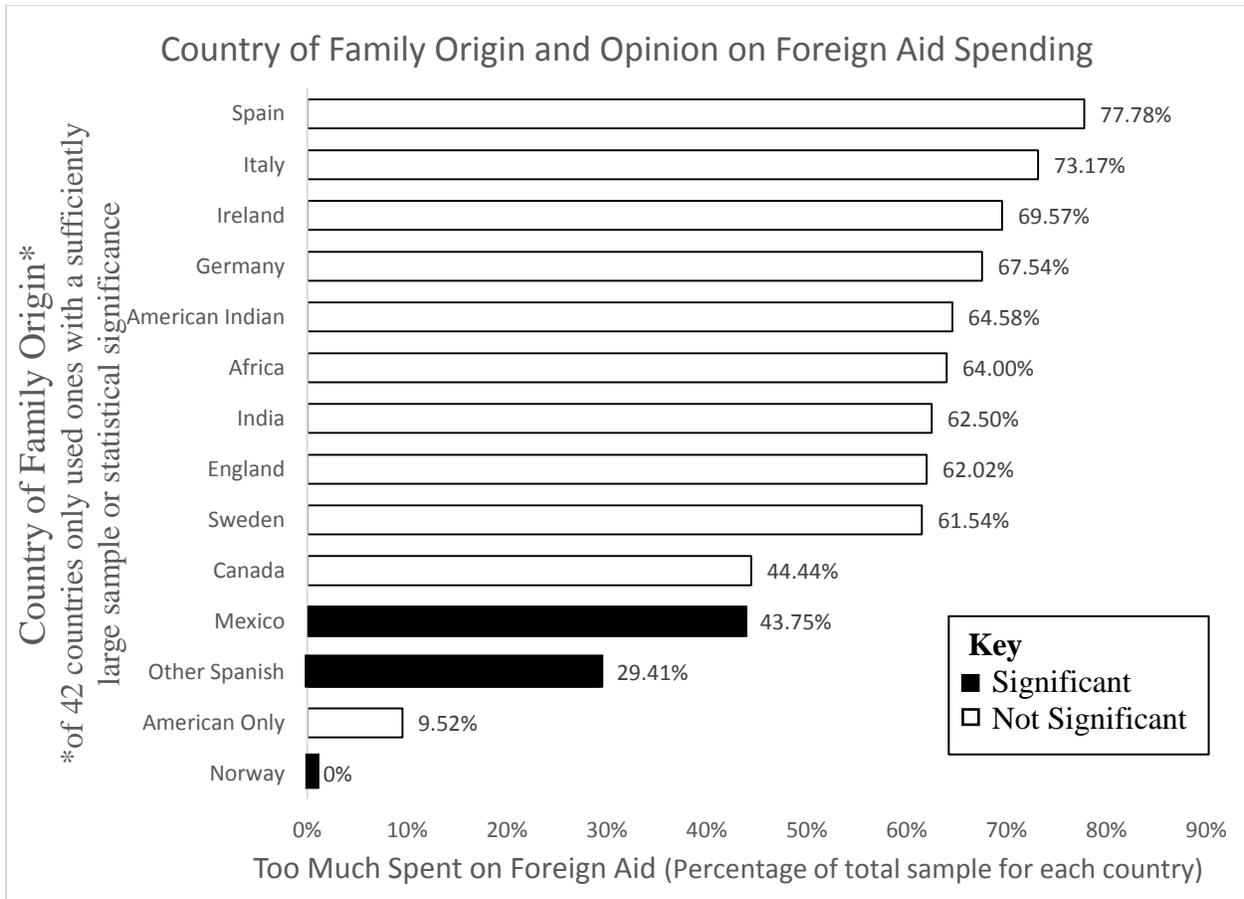


Figure 3. Country of family origin and view on foreign aid spending of the American government by percentage of “too much” responses out of all responses

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