

The Association between Income and Opinion on Foreign Aid expenditure in the U.S.

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Introduction

- There is growing evidence that foreign aid can benefit donor and recipient nations alike (Paxton, P., & Knack, S. 2012).
- While a majority of Americans believe that international issues are relevant to their own lives, they are generally misinformed about the realities of U.S. foreign aid policy and lack sound information on global affairs (Brookings 2019; National Geographic, Gallup, & Council on Foreign Relations 2019)
- Political ideology and misunderstanding may contribute to negative opinions on foreign aid (Sachs 2014).
- There is evidence that income inequality is negatively correlated with political support for foreign aid, and that individual income and perception of donor government performance are positively correlated to political support for foreign aid (Heinrich, T., Kobayashi, Y., & Lawson, E. 2021)
- There is evidence that individuals' satisfaction with their own financial status is associated with greater levels of support for foreign aid (Paxton, P., & Knack, S. 2012)

Methods

Sample

- The sample (n=1,661) is drawn from the 2021 General Social Survey (GSS) cross-sectional survey, which represents the non-institutionalized adult population of the United States. Data was collected through internet and phone surveys

Measures

- Opinion on U.S. foreign aid was measured with the question “are we spending too much, too little, or about the right amount on foreign aid?” The present study uses a constructed binary variable combining the responses “too little” and “about right” as support for foreign aid.
- Income measured as family income (inflation-adjusted), a constructed categorical variable that bins family income into “low” (< \$40,000), “medium” (\$40,000 - \$74,999) and “high” (> \$75,000) based on mid-points and imputations from the GSS data.
- Participants rated their political beliefs on a scale of 1 (extremely liberal) to 7 (extremely conservative)
- Respondents' education was in the amount of years of education they have completed and in degree attained.

Research Questions

- Is income associated with opinion on foreign aid?
- Does this relationship vary with political beliefs or varying levels of educational attainment?

Results

Bivariate

- A logistic regression analysis shows that individuals with a “high” family income were significantly more likely to support foreign aid than those with a “low” family income (OR=1.373, p=0.0109). (Fig. 1).
- An ANOVA test revealed a statistically significant relationship between years of education and support for foreign aid (p = 2.1e-07).
- A logistic regression analysis shows that support for foreign aid decreases progressively as political views become more conservative. Evidence for groups “moderate” through “extremely conservative” are significant (Fig. 2).

Multivariate

- A multivariate logistic regression reveals that the association between family income and support for foreign aid remains statistically significant after controlling for political views (OR=1.39664624, p=0.01664). This indicates that individuals with “high” family income have approximately 40% higher odds of supporting foreign aid compared to those with “low” family income (Fig. 3).
- After controlling for education (tested separately with both years of education and degree attained), the relationship between family income and support for foreign aid is no longer statistically significant. For education as years (p=0.3238) and degree (p=0.4328), no significant association between family income and support for foreign aid was observed. This suggests that the relationship between family income and support for foreign aid may be confounded by education.

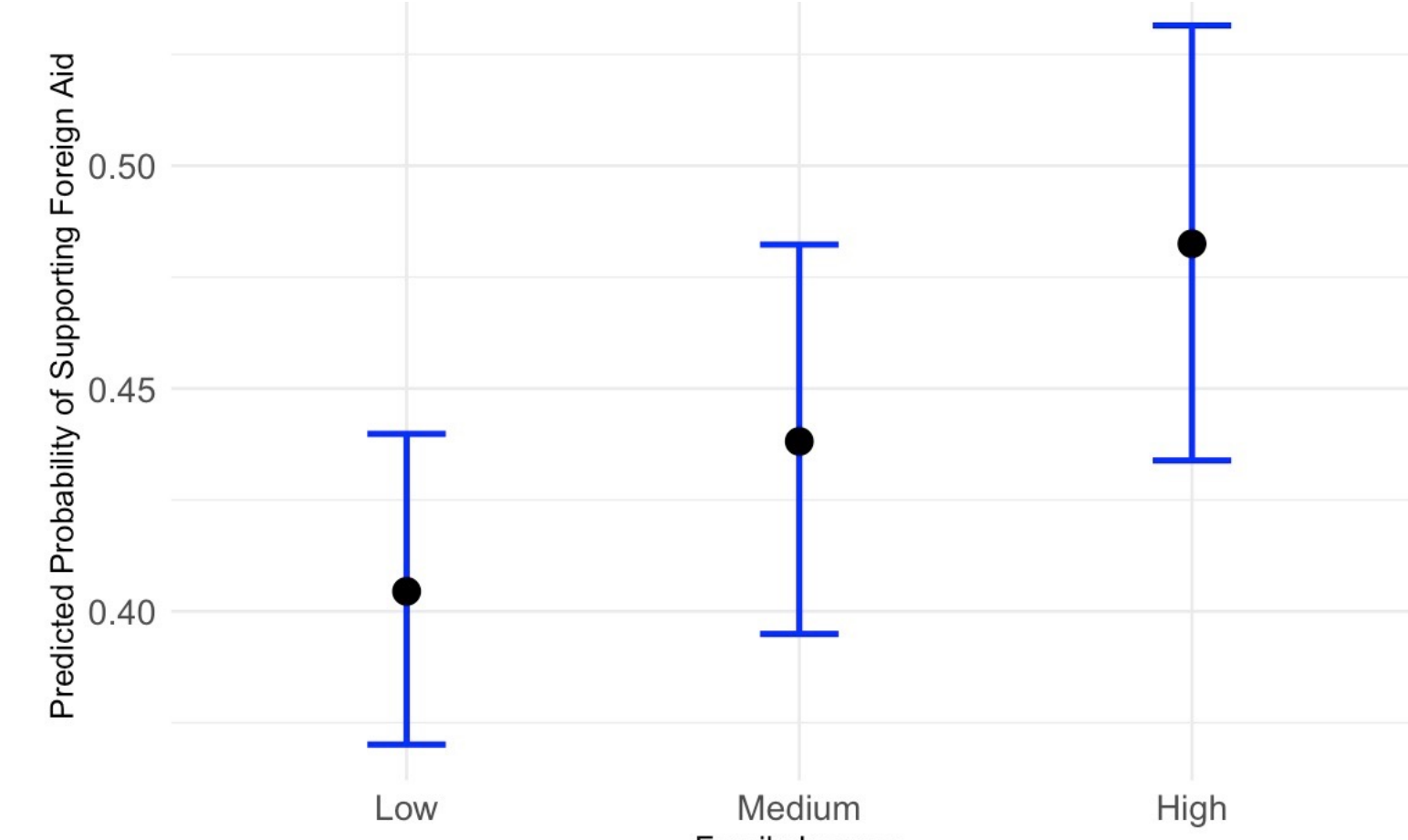


Figure 1: Likelihood of supporting Foreign Aid by Family Income (Predicted probabilities with 95% confidence intervals)

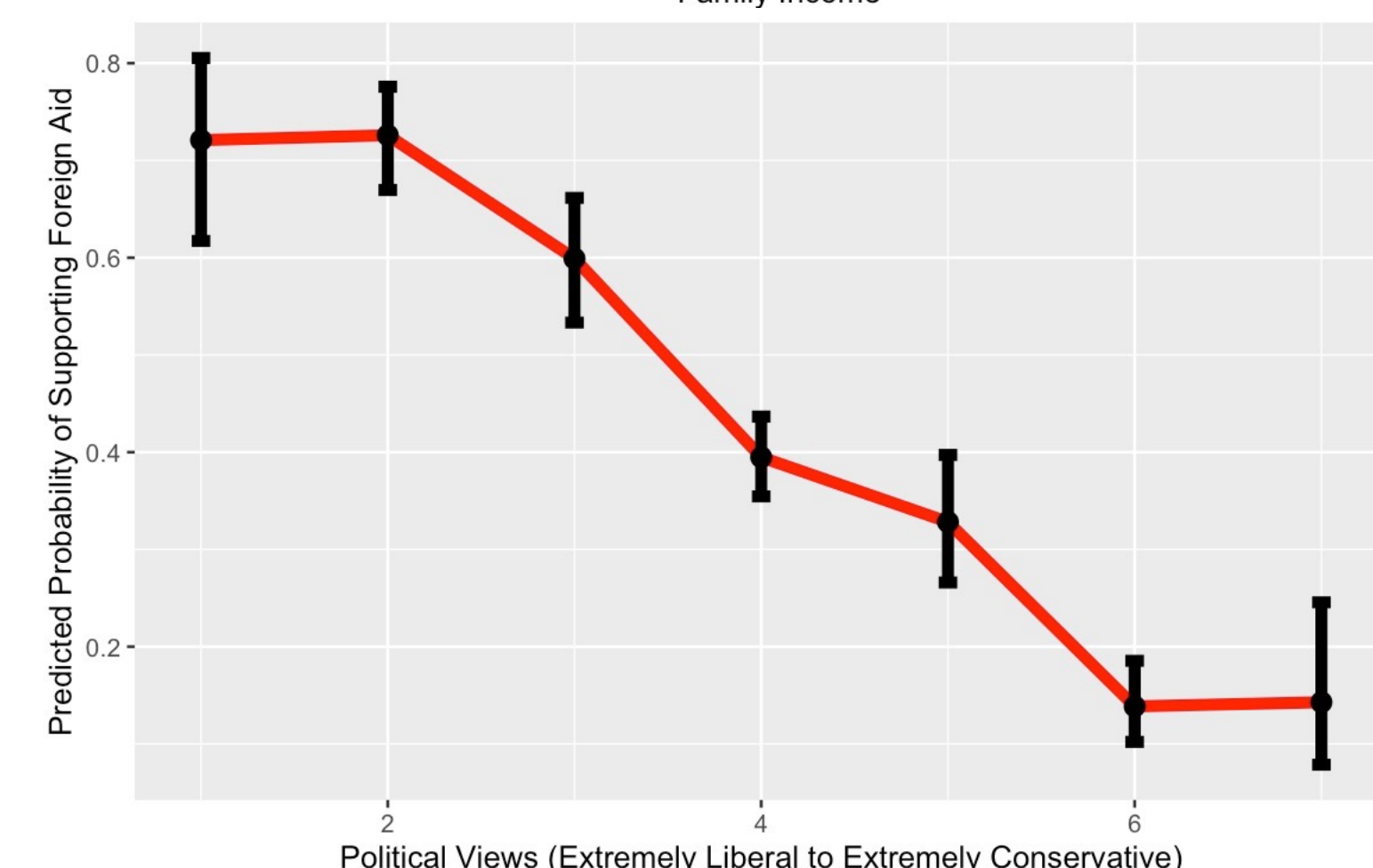


Figure 2: Likelihood of supporting Foreign Aid by Political Views (Predicted probabilities with 95% confidence intervals)

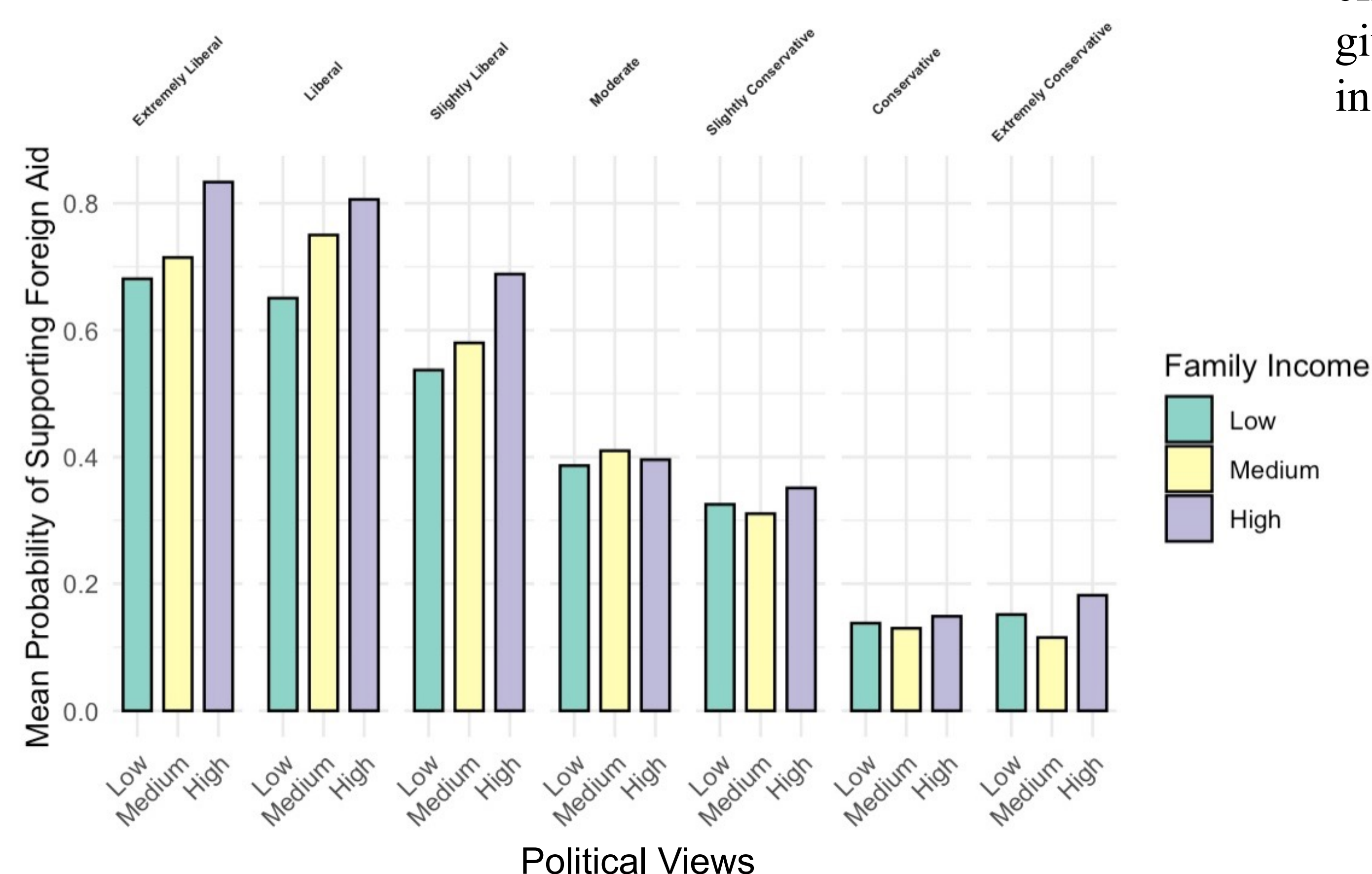


Figure 3: Likelihood of supporting Foreign Aid based Family Income and Political Views

Discussion

- High family income is associated with increased likelihood of supporting foreign aid after controlling for political views, but may be confounded by education.
- Each additional year of education increases the odds of supporting foreign aid by approximately 2.3%, and individuals with a graduate degree are 80% more likely to support foreign aid than those without a high school diploma
- These findings may contribute to a growing body of research on opinion on foreign aid as a multilevel phenomenon
- Further analysis is needed to determine the true effect of income on opinion toward foreign aid, given the potential confounding effect between income and education

References

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