

# The Political Economy of Beliefs

## Why Fiscal and Social Conservatives (Liberals) Come Hand-in-Hand

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# Normative Commitments

What people think is right or just

- ▶ **Consequences**

- ▶ Different groups often have different normative commitments
- ▶ Political economy of polarization and conflict

- ▶ **Formation**

- ▶ Legal ideas and conceptions of justice
- ▶ Compliance and development of rights

- ▶ **Measurement**

- ▶ Revealed preference in the lab
- ▶ High-dimensional data in the field

# Theorizing Cultural Differences

- ▶ How do normative commitments interact with market forces?
  - ▶ Impact of financial crisis on Islamic resurgence
  - ▶ Market consequences of incomplete marriage contracts
  - ▶ **This paper:** Market explanation for religion's role in politics

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- ▶ Why fiscal and social conservatism/liberalism align
  - ▶ Religious intensity as social insurance
  - ▶ The religious right may be against welfare because it competes against their constituency

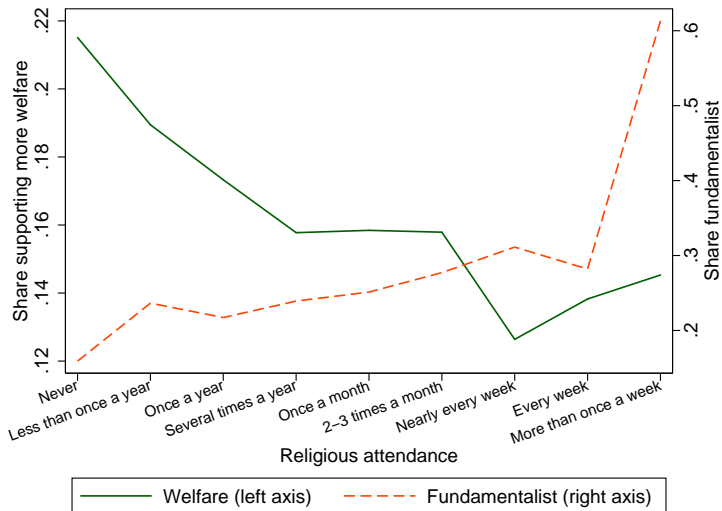
# Theorizing Cultural Differences

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- ▶ Why fiscal and social conservatism/liberalism align
  - ▶ Religious intensity as social insurance
  - ▶ The religious right may be against welfare because it competes against their constituency
- ▶ Solve three puzzles
  - ▶ Why fiscal and social conservatism align
  - ▶ Why fiscal and social conservatism did not align together in the past or in some countries today
    - ▶ Separation between church and state is key
  - ▶ High church-state separation, high religiosity, and low welfare state

# Political Economy of Beliefs

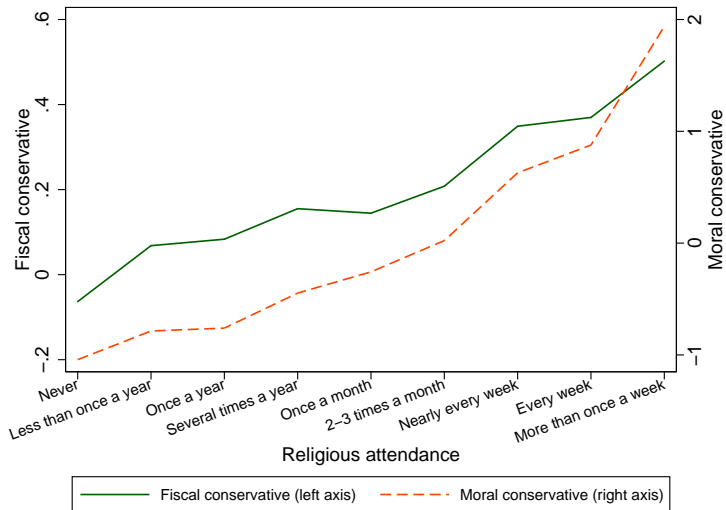
- ▶ Today, some argue that depending on the welfare state is the same as worshipping the government as if it were God
  - ▶ **“Americans of today view their government in the same way as Christians view their God: they worship and adore the state, and they render their lives and fortunes to it”** (Hornberger 1993).
  - ▶ **“The Bible opposes big human government.** Human government has a limited role - it is not the solution to every problem we face. **Human government tries to replace God** when it attempts to solve every human problem. **It is idolatry (worship of a false god) to look to government to solve all our problems (i.e., poverty, health care, education, etc.)”** (Fernandes et al. 2003).

## The basic pattern in the U.S.



31% of Americans are fundamentalist according to the General Social Survey

## The basic pattern in the U.S.



Ansolabehere et al. (2006) indices



# Fiscal and social attitudes in the U.S.

$$\text{FiscalConservatism}_i = \beta_0 \text{Religion}_i + \beta_1 \text{Fundamentalist}_i + \alpha' \text{Controls}_i + \varepsilon_i$$

$$\text{MoralConservatism} = \beta_0 \text{Religion}_i + \beta_1 \text{Fundamentalist}_i + \alpha' \text{Controls}_i + \varepsilon_i$$

	Fiscal conservative			Moral conservative		
	(1)	(2)	(3)	(4)	(5)	(6)
Religious attendance	0.0140*** (0.00195)		0.0129*** (0.00198)	0.0904*** (0.00351)		0.0859*** (0.00310)
Fundamentalist		0.0466*** (0.0104)	0.0325*** (0.0109)		0.277*** (0.0249)	0.200*** (0.0118)
Observations	54541	52971	52585	56170	54593	54197

▶ Summary Statistics

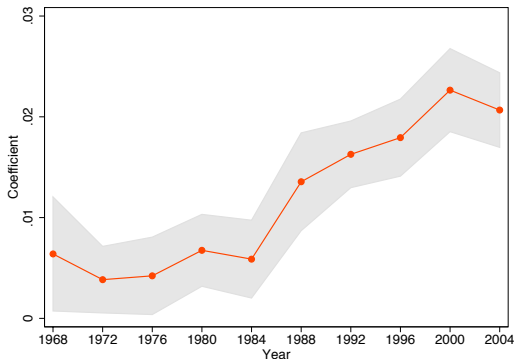
▶ Summary Statistics 2

▶ Social Conservatism



# Social Gospel, Christian Democrat

- ▶ “from abolition to woman suffrage to civil rights, the leaders of America’s most successful liberal crusades have turned to the Bible to justify their causes. But the history of the religious left seems to stop in 1968... the starting point of a decades-long trend by which Democrats have become the secular party and Republicans the religious party.” (Lizza 2005)
- ▶ The Fourth Great Awakening and the Future of Egalitarianism (Fogel 2000)



Correlation between fundamentalism and Republican identification (95% CI)

# Puzzle

- ▶ Why do fiscal and social conservatives/liberals come hand-in-hand in the times and places that they do?
  - ▶ U.S. congressional voting (Converse 1964; Poole et al. 1991, 1997)
  - ▶ Across countries (Gill et al. 2004; Scheve et al. 2005; Cavanaugh 2005)
  - ▶ **Part of this paper:** Fiscal and social conservatism/liberalism come hand-in-hand at the individual and denomination level

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  - ▶ **Part of this paper:** Fiscal and social conservatism/liberalism come hand-in-hand at the individual and denomination level
- ▶ No obvious theory for why attitudes align along one diagonal versus another in a matrix of fiscal and social attitudes.
  - ▶ Economics – formalizes why political positions map along a single axis (DeMarzo et al. 2003) and why religion is salient in politics (Glaeser et al. 2005) but not why Republicans and Democrats divide along religious issues the way they do
  - ▶ Political science – rejects theories involving denominational differences, altruism, differences in inferences, issue-bundling, and spurious correlation (Scheve et al. 2005)
  - ▶ Psychology – argues that uncertainty aversion explains why fiscal and social conservatism align (Jost et al. 2003); uncertainty aversion is consistent with insurance preference

# Outline

- ▶ Religion and social insurance
  - ▶ Religious groups with greater within-group charitable giving are more against the welfare state and more socially conservative
- ▶ Model
  - ▶ High church-state separation, high religiosity, low welfare state
    - ▶ **A self-reinforcing cycle** – Countries with high initial religious weight increase church-state separation and shrink the welfare state, which induces marginal members seeking insurance to become more religious
  - ▶ Low church-state separation, low religiosity, high welfare state
    - ▶ **A stabilizing cycle** – Countries with low initial religious weight decrease church-state separation to shrink the welfare state, but the marginal member becomes more religious
- ▶ State Church (Barro et al. 2005; Huber et al. 2011)
  - ▶ Alignment disappears in countries with a state church
  - ▶ Alignment reverses for members of the state church
  - ▶ Alignment increased after Sweden's state church abolition
  - ▶ Random variation in U.S. Establishment Clause jurisprudence

# Religion and Social Insurance

- ▶ Religious societies provide insurance for its members
  - ▶ Theory of religious insurance (Iannaccone 1992; Berman 2000)
  - ▶ Evidence of religious insurance (Dehejia et al. 2005; Clark et al. 2005; Chen 2010; Ager et al. 2014)

# Religion and Social Insurance

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  - ▶ Evidence of religious insurance (Dehejia et al. 2005; Clark et al. 2005; Chen 2010; Ager et al. 2014)
  - ▶ Indonesia - financial crisis
    - ▶ 70% of shocks smoothed by religious groups; job matching

$$\Delta Q_{ij} = \beta_0' \Delta E_{ij} + \beta_1' \Delta E_{ij} C_j + \alpha_0' C_i + \alpha_1' X_{ij} + \gamma_j + \epsilon_{ij}$$

$$\begin{aligned} \text{Crisis\_StDev}(\Delta E_{ij})_j - \text{NonCrisis\_StDev}(\Delta E_{ij})_j = \\ \beta_0 I_j + \beta_1' (I_j S_j) + \alpha_0 S_j + \alpha_1' X_j + \kappa_p + \eta_{jp} \end{aligned}$$

- ▶ U.S. - across time
  - ▶ 35% of shocks smoothed by religious participation

$$\Delta E_{ij} = \beta_0 \Delta I_j + \beta_1 (\Delta I_j R_j) + \alpha_0 R_j + \alpha_1' X_j + \kappa_p + \eta_{jp}$$

- ▶ U.S. - aggregates
  - ▶ Half of all philanthropic donations go to religious organizations
  - ▶ Giving to religious organizations: 84B\$ a year (Cadge et al. 2006)
  - ▶ 25% of church expenditures: charitable, 24B\$ a year (Biddle 1992)
  - ▶ Employment services, hospital visitation, social service agencies, job training, educational services, public health (Gruber et al. 2007)



## Within-Group Receiving

	Congregation helps you a great deal if ill		
	(1)	(2)	(3)
Religious attendance	0.0838*** (0.00961)		
Evangelical protestant (d)		0.378** (0.157)	0.570*** (0.0419)
Mainline protestant (d)		0.280* (0.163)	0.462*** (0.0594)
Catholic (d)		0.0998 (0.138)	0.273*** (0.0383)
Other religion (d)		0.482*** (0.0778)	0.718*** (0.0720)
Jewish (d)		0.0996 (0.165)	0.333*** (0.0947)
No religion			0.143 (0.0972)
Observations	802	628	632

- ▶ Someone who attends several times a week is roughly 60 percentage points more likely to receive a great deal of help from the congregation than someone who attends religious services less than once a year.
- ▶ Members of more conservative denominations (e.g., Evangelical Protestants) are significantly more likely to receive a great deal of help if ill (57% would), than are members of less conservative denominations, such as Jews (only 33%).
- ▶ Roughly 50% of respondents report a great deal of help if ill.
- ▶ 4% received monetary help from a religious organization in past year, and disproportionately predicted by higher levels of participation (Wuthnow 1994).

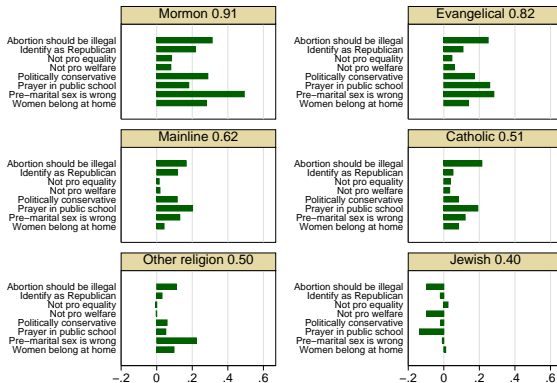
# Within-Group Giving

Center on Philanthropy Panel Study (COPPS)

	\$ to Relgs	\$ to All	%Charity to Relg	Income	%Inc to R	N
Mormons	4066	4467	<b>0.91</b>	77730	0.052	26
Evangelical Protestants	908	1139	<b>0.82</b>	49755	0.018	1271
Mainline Protestants	740	1193	<b>0.62</b>	72310	0.010	997
Catholics	491	962	<b>0.51</b>	71010	0.007	1451
Other	750	1504	<b>0.50</b>	49780	0.015	938
Jewish	1127	2791	<b>0.40</b>	125160	0.009	142
None	221	553	<b>0.40</b>	54360	0.004	663

- ▶ % overall income to religion roughly corresponds to same ordering as % charitable-giving to religion (5% decreasing to 0.4%)
- ▶ % attend more than once a month also corresponds to same ordering (66% decreasing to 15%)

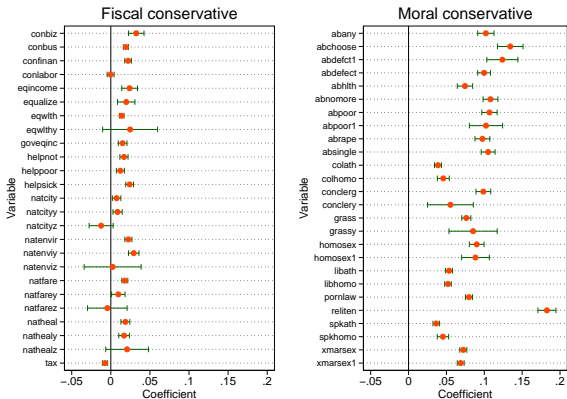
# Within-Group Giving and Attitudes



From 40% to 91% of within-group giving yields an increase in 20% of a standard deviation in fiscal conservatism and 50% of a standard deviation in moral conservatism

► Ansolabehere et al. (2006) indices

# Religious Attendance and Attitudes



From “never attend” to “several times a week” yields an increase in 11% of a standard deviation in fiscal conservatism and 72% of a standard deviation in moral conservatism

► Detailed Estimates

# Social Conservatism

Link between conservatism and insurance is supported theoretically

- ▶ Risk-sharing mechanisms are self-sustaining if agents are punished with permanent autarky if they choose to defect (Coate et al. 1993; Kocherlakota 1996; Alvarez et al. 2000; Krueger et al. 2002; Genicot et al. 2003)
- ▶ Autarky is more effective without alternative social insurance
  - ▶ Conservative groups having stronger social sanctions to make mutual insurance were more self-sustaining relative to social groups without strong social sanctions amid financial crisis (Chen 2010)
  - ▶ Social pressure and duty, can work as enforcement mechanisms for social insurance (Fafchamps 2004; Ellsworth 1989)
    - ▶ More socially conservative religious groups—colloquially referred to as fundamentalist—would be more sanctioning against out-groups
    - ▶ Provision of within-group social insurance varies substantially across religious groups and is positively correlated with conservatism (Wuthnow 2004)

# Crowd-out

- ▶ Government insurance competes against religious insurance
  - ▶ Government welfare crowding out church participation and charitable provision (Gruber et al. 2005; Hungerman 2005; Gill et al. 2004; Cnaan et al. 2002)
    - ▶ Clinton welfare reform: elasticity of 20-38 cents per dollar
    - ▶ Church spending fell by 30% in response to the New Deal
  - ▶ Similar decline in charitable provision by other private groups (Beito 2000; Kaufman 2003)

# State Church

## Fiscal expenditures

- ▶ Building fees, clergy salaries - large portion of church budget
- ▶ \$48K average clerical salary (Bureau of Labor Statistics 2013)
- ▶ Average congregation had 75 participants and an annual budget of \$90K
- ▶ Average attendee in 400-person congregation, \$280K (Chaves et al. 2009)
- ▶ Church of Sweden had \$1.7B annual budget; property had to be divided

## Tax expenditures

- ▶ Tax expenditures amount to 6% of GDP in aggregate and 700B\$ a year (government spending is 25%) (Burman et al. 2008)
- ▶ Tax credits apply to donations to religious organizations
- ▶ Church property, buildings, clerical salaries and housing are tax exempt, amounting to billions of dollars every year

## Schools

- ▶ Early debates in the U.S. involved schooling (Hamburger 2002; Feldman 2005)
- ▶ Protestant Bible-reading in public schools triggered Catholic private schools by Catholic parents, who argued they were doubly penalized in taxes and tuition
- ▶ Today, 2 million students are homeschooled, majority of parents for religious/moral reasons (Sadker et al. 2008) & takes a parent out of labor force

# Model Setup

- Agents receive income  $x = L$  or  $H$  each with probability 0.5 ( $L < H$ )
- Choose religious intensity  $\alpha$  - the degree to which someone participates in mutual insurance – to maximize

$$U_x = u \left[ (1 - \alpha_x)x + \frac{\alpha_x}{\alpha} \mu \right] - rS \left( \frac{\alpha_x}{\alpha} \right)$$

- $r$  - vulnerability to social sanction (social conservatism/exclusion)
- 1. Solve for tax preferences as a function of religious intensity
- 2. Introduce state church, compare elasticity of tax preferences to religion
- 3. Introduce elites who desire lower taxes
- 4. Allow religiosity to decrease with size of welfare state



# Trade-off Between Religious and Government Insurance

- Tax rate  $\tau$
- $T(\tau)Y$ : amount of government lump sum redistribution ( $T'(\tau) < 1$ ,  $T''(\tau) < 0$ )

$$U_x = u \left[ (1 - \tau) \left( \underbrace{(1 - \alpha_x)x + \frac{\alpha_x}{\alpha}(\bar{\mu})}_{Y_x} \right) + T(\tau)\bar{Y} \right] - rS\left(\frac{\alpha_x}{\alpha}\right)$$

- $r$  works as a mean-preserving contraction:

$$Y_L = L + \frac{\alpha_H(r)}{1 + \alpha_H(r)}(H - L)$$

$$Y_H = H - \frac{\alpha_H(r)}{1 + \alpha_H(r)}(H - L)$$

- Proposition 1. Hi  $r$  prefer low  $\tau$

$$\sum_{x \in \{L, H\}} \frac{1}{2} u' \left( (1 - \tau^*)Y_x + T(\tau^*)\bar{Y} \right) \left[ T'(\tau^*)\bar{Y} - Y_x \right] = 0$$

# Separation Between Church and State

- $\gamma$ : fraction of public funds transferred to state church members

$$U_x = u \left[ (1 - \tau) \left( (1 - \alpha_x)x + \frac{\alpha_x}{\alpha} (\bar{\mu} + \gamma T(\tau) \bar{Y}) \right) + (1 - \gamma) T(\tau) \bar{Y} \right] - rS \left( \frac{\alpha_x}{\alpha} \right)$$

- $\xi_r$ : subsidy for religious group r

$$U_x = u \left( (1 - \tau) \left[ (1 - \alpha_x)x + \frac{\alpha_x}{\alpha} \bar{\mu}_r \right] + \left( \gamma \xi_r \frac{\alpha_x}{\alpha} + (1 - \gamma) \right) T(\tau) \bar{Y} \right) - rS \left( \frac{\alpha_x}{\alpha} \right)$$

- Proposition 2.

Hi r more pro-welfare/less anti-welfare for hi  $\gamma$  (when  $\xi_r$  increasing sufficiently fast in r)

$$Z_x = (1 - \tau) Y_x + \xi_r \frac{\alpha_x}{\alpha} T(\tau) \bar{Y}$$

$$T'(\tau^*) = \frac{1}{\xi_r} \frac{u'(Z_L) Y_L + u'(Z_H) Y_H}{\left( \frac{\alpha_L}{\alpha} u'(Z_L) + \frac{\alpha_H}{\alpha} u'(Z_H) \right) \bar{Y}}$$

# Elite Preferences on Church-State Separation

- ▶ Introduce elites who choose  $\gamma$ , while voters choose  $\tau$  (Acemoglu et al. 2000)
  - ▶ Counter-majoritarian: unelected judges can countermand majority will (Bickel 1986)
- ▶ Heterogeneous agents'  $\tau$  preferences
  - ▶ Religious agents tax non-religious agents through state church
- ▶ Elites keep low  $\gamma^*$  if  $r$  is high else high  $\gamma^*$  if  $r$  is low

	$\gamma = 0$		$\gamma = 1$	
	High $\tau$	Low $\tau$	High $\tau$	Low $\tau$
High $r$	Religious Right		Social Gospel	
Low $r$	Secular Left		Libertarian	

# Dynamic model

Equation 1: State church association  $\gamma_t$

- ▶ Let's make the model dynamic and analyze the growth effects
  - ▶ Let  $d_t$  be the share of religious people in society at time  $t$
  - ▶ Let  $\gamma_t$  be the tax revenue given to the church at time  $t$
  - ▶ Let  $\omega_t$  be the level of the welfare state at time  $t$
- ▶ The first equation governing the process is

$$\gamma_t = \alpha - \beta d_t$$

- ▶ When levels of religiosity are low, elites keep a strong association between state and church to curb high tax levels
- ▶ Hence high levels of religiosity correspond to more separation of church and state

# Dynamic model

Equation 2: Welfare state development  $\omega_t$

- ▶ The second equation governing the process is

$$\omega_t = \alpha_\gamma - \beta_\gamma \gamma + \alpha_d - \beta_d d_t + \beta_{\gamma d} \gamma d_t$$

- ▶ The equation is derived from the equilibrium outcome of interplay between government and church insurance
- ▶ Plugging in  $\gamma_t = \alpha - \beta d_t$ , we have

$$\omega_t = b_1 + b_2 d_t - b_3 d_t^2$$

where  $b_1 = \alpha_\gamma - \beta_\gamma \alpha + \alpha_d$ ,

$b_2 = \beta_\gamma \beta - \beta_d + \alpha \beta_{\gamma d}$ , and  $b_3 = \beta_{\gamma d} \beta$

		$d$	
		low	hi
$\gamma$	low		X
	hi	X	

# Dynamic model

Equation 3: Religiosity of new citizens  $n_t$

- ▶ The third equation governing the process is

$$n_t = \frac{1}{\phi\omega_t}$$

As welfare state increases, the marginal person seeking insurance will turn to the government.

- ▶ Therefore, average religiosity declines
- ▶ Plugging in  $\omega_t = b_1 + b_2d - b_3d_t^2$ , we have

$$n_t = \frac{1}{\phi\omega_t} = \frac{1}{a_1 + a_2d - a_3d_t^2}$$

where  $a_1 = \phi b_1$ ,  $a_2 = \phi b_2$ , and  $a_3 = \phi b_3$

# Dynamic model

- ▶ At each subsequent period, the stock of religiosity decays by a constant fraction  $\delta$
- ▶ At the same time, the stock of religiosity gets supplemented by the average new religiosity  $n_t$
- ▶ The dynamics of religiosity will be

$$d_{t+1} = d_t(1 - \delta) + n_t$$

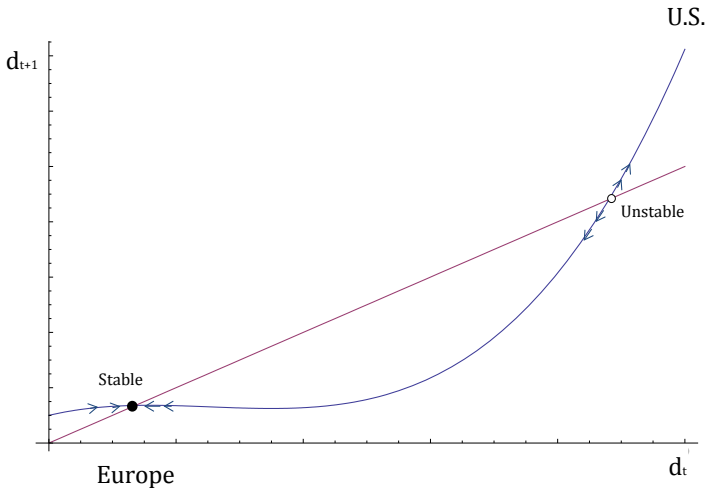
## Dynamic model: equilibria

- ▶ The steady state condition is

$$\delta a_3 d^3 - \delta a_2 d^2 - \delta a_1 d + 1 = 0$$

- ▶ The equation above has 3 roots and hence 3 equilibria
  - ▶ Since both  $a_3 > 0$  and the constant term are positive, at most two of the roots are positive
  - ▶  $a_3 > 0$  implies that the two endpoints are unstable while the middle root is stable





- ▶ Positive correlation between religiosity and church-state separation (Finke et al. 1983; Iannaccone 1998; Barro et al. 2005)
- ▶ Negative correlation between welfare state and religiosity (Gill et al. 2004; Scheve et al. 2005; Cavanaugh 2005)

## Dynamic model: intuition

- ▶ When there are many religious individuals, elites separate church and state, curbing tax preferences of the religious left, reducing the welfare state, which increases subsequent religiosity for the marginal person, creating positive feedback.
- ▶ With few religious individuals, elites keep a large state church, attempting to curb the tax preferences of the secular left, reducing the welfare state, which increases subsequent religiosity, creating negative feedback and stable steady state.

# Data

1. U.S. General Social Survey
  - ▶ We are faced with many problems in this country, none of which can be solved easily or inexpensively. Are we spending too much money, too little money, or about the right amount on welfare?
  - ▶ 9 religious categories, “Never attend” to “Several times a week”
2. World Values Survey
  - ▶ 10 categories, “People should take more responsibility for providing for themselves” to “The state should take more responsibility to ensure that everyone is provided for”
  - ▶ 7 religious categories, “Less than once a year” to “Several times a week”
3. World Christian Encyclopedia
  - ▶ If the constitution designates an official state church and restricts or prohibits other forms of religion, or
  - ▶ If the government merely systematically favors a specific religion through subsidies and tax collection or through teaching of religion in public school
4. State department reports (Grim et al. 2006)
  - ▶ Government regulation, Social regulation, Government favoritism indices
5. Swedish and Norwegian Election Surveys
6. Church-State Separation Within U.S.
  - ▶ U.S. Supreme Court (Oxford Guide to Supreme Court Decisions), +1/-1
  - ▶ U.S. Circuit Court (Westlaw keyword search), +1/-1

# Church-State Separation and Welfare Attitudes

World Christian Encyclopedia

$WelfareSupport_{ij} =$

$\beta_0 Attendance_{ij} + \beta_1 Attendance_{ij} \times StateChurch_j + \beta_2 StateChurch_j + \alpha' Controls_{ij} + \varepsilon_{ij}$

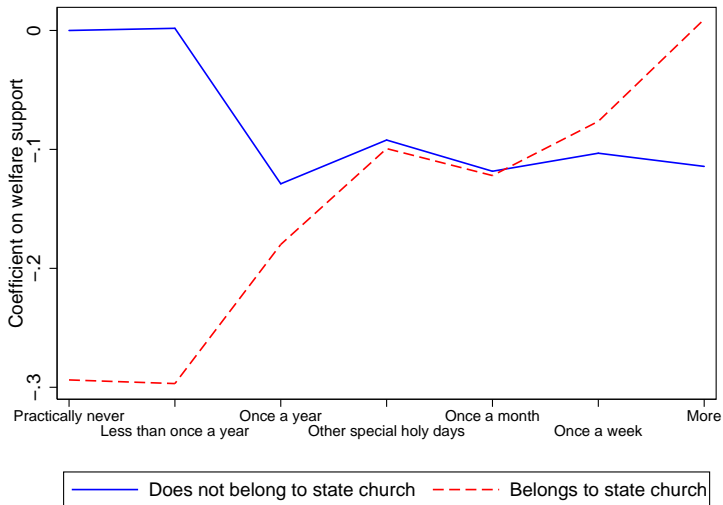
	Gov. responsibility			Reduce inequality		
	(1)	(2)	(3)	(4)	(5)	(6)
Attendance	-0.00883 (0.00534)	-0.0216*** (0.00562)	-0.0181*** (0.00575)	0.00382 (0.00652)	0.00480 (0.00897)	0.00352 (0.00766)
Attendance×Has State Church		0.0309*** (0.0114)			-0.00244 (0.0134)	
Attendance×Belong to State Church			0.0420** (0.0161)			-0.00327 (0.0131)
Belong to State Church			-0.304* (0.163)			0.119 (0.117)
Observations	220001	220001	220001	215304	215304	215304

From “almost never attend” to “several times a week” yields a decrease of 4% of a standard deviation in welfare support in countries without a state church

But for members of a state church, an increase 4.6% of a standard deviation

[▶ Country List](#) [▶ Summary Statistics](#)

# Church-State Separation and Welfare Attitudes



# Church-State Separation and Welfare Attitudes

Grim et al. (2006)

	(1)	(2)	(3)	(4)	(5)	(6)
Attendance	-0.00883 (0.00534)	-0.0330*** (0.00718)	-0.0251** (0.00982)	-0.0275** (0.0105)	-0.0338*** (0.00837)	-0.0144 (0.0119)
Government Regulation×Attendance		0.00668*** (0.00182)				0.0102*** (0.00310)
Social Regulation×Attendance			0.00353* (0.00186)			-0.00560* (0.00287)
Government Favoritism×Attendance				0.00347* (0.00193)		-0.00543 (0.00380)
Government Financial Support×Attendance					0.00787*** (0.00257)	0.00816 (0.00539)
Observations	220001	214282	214282	214282	214282	214282

Government Regulation Index: restrictions placed on practice, profession, or selection of religion by official laws, policies, or administrative actions

▶ Grim/Finke Data

▶ Social Conservatism

# Church-State Separation: Panel study

- ▶ In 2000 the Swedish state church was abolished
  - ▶ Cut budget, sell property, cut tax base to members only
  - ▶ No automatic enrollment of children to pay taxes
- ▶ Did this have an impact on the opinions of religious Swedes?

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- ▶ We employ a DiDiD approach, comparing Sweden to Norway, whose church is still state-financed
  - ▶ Pre-post X religious X Sweden



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- ▶ We employ a DiDiD approach, comparing Sweden to Norway, whose church is still state-financed
  - ▶ Pre-post X religious X Sweden
  - ▶ Available religious measure is: Would it be beneficial for society to be more closely aligned with Christian values?

## Cut taxes

	(1)	(2)	(3)	(4)	(5)
Christian values	0.0242 (1.37)	0.0452 (1.51)	-0.00501 (-0.25)	0.111** (2.40)	
Christian values×Sweden		0.0373 (1.10)		-0.0755 (-1.41)	
Christian values×After 2000		-0.124*** (-5.16)		-0.174*** (-3.72)	
After 2000×Sweden		-0.844*** (-8.87)		-0.952*** (-4.74)	
Christian values×After 2000×Sweden		0.121*** (4.03)		0.138** (2.54)	
Cut taxes (lagged)					0.374*** (10.39)
Christian values (lagged)					-0.124*** (-4.89)
Christian values (lagged)×Sweden					0.141*** (4.88)
FE	No	No	Yes	Yes	No
Rsq	0.166	0.175	0.237	0.248	0.246
N	16009	16009	16009	16009	1312

Religious Swedes became more fiscally conservative relative to religious Norwegians, shift of 12% of a standard deviation in support for taxes

▶ Summary Statistics

# Accept income differences

	(1)	(2)	(3)	(4)	(5)
Christian values	0.0264*** (3.41)	-0.0309* (-1.85)	0.0232 (1.04)	-0.0356 (-0.75)	
Christian values×Sweden		0.0966*** (4.47)		0.0665 (1.19)	
Christian values×After 2000		0.0663*** (3.27)		0.0883* (1.83)	
After 2000×Sweden		0.376*** (3.39)		0.453** (2.17)	
Christian values×After 2000×Sweden		-0.141*** (-4.53)		-0.132** (-2.27)	
Accept income differences (lagged)					0.327*** (14.08)
Christian values (lagged)					0.0363 (1.29)
Christian values (lagged)×Sweden					-0.0309 (-1.61)
FE	No	No	Yes	Yes	No
Rsquared	0.0127	0.0142	0.00698	0.00890	0.123
N	15988	15988	15988	15988	1322

Religious Swedes became less accepting of inequality relative to religious Norwegians

► Summary Statistics

# U.S. Establishment Clause

*Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof* (First Amendment to the U.S. Constitution)

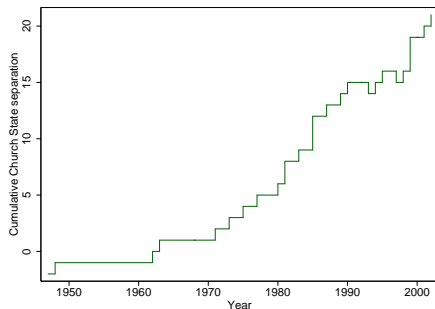
- ▶ Early Americans did not seek a complete disconnection
- ▶ Allowed parish officials the authority to raise taxes as needed and help the poor (Hanson 2011)
- ▶ Controversy was over appointment of religious leaders (Feldman 2005)

Modern conception of church-state separation - 20th century (Hamburger 2002)

- ▶ Triggered by Catholic immigration
- ▶ Intent of some public institutions was to get kids away from Catholic families whose moral and religious instruction had been neglected (in the view of Protestants) (Crenson 2009)
- ▶ Protestant Bible reading in public schools impetus for Catholic private schools, a double penalty in taxes and tuition
- ▶ Advocates proposed ban of government funding religious institutions in 1870s
- ▶ Throughout the 20th century, historians perpetuated the misperception that the principle of separation originated in 18th century thought (Hamburger 2002)

# U.S. Establishment Clause: Schools

Cumulative net number of church state separations since 1947 (Hall 1999, Alley 1988)



- ▶ Forbade religious instruction in public schools, prayer in public schools, direct government assistance to religious schools, tax deductions and reimbursements for children in religious schools
- ▶ Religious alternatives, like home schooling, began a resurgence in the 1970s
- ▶ Today, involving 3.4% of American school-age children (2 million students), most parents reporting religious or moral motivations (Sadker et al. 2008)
- ▶ Double penalization in taxes and in-kind tuition
- ▶ Effective reduction in government subsidy of religious instruction—or insurance—is accentuated since home schooling takes women out of the labor force

# U.S. Establishment Clause: Fiscal and Tax Expenditures

Faith-based organizations supply social services to over 70 million Americans each year (Johnson et al. 2000)

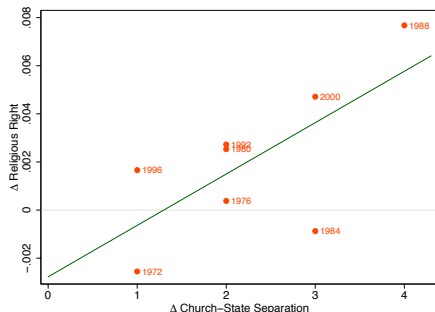
- ▶ Direct government funding of religious organizations remains hotly debated, but tax expenditures are less contested

Litigated under Establishment Clause jurisprudence

- ▶ *Arizona Christian School Tuition Organization v. Winn et al.*
  - ▶ Allowed Arizona to let taxpayers claim a non-refundable tax credit for donations to school tuition organizations that used the funds to make tuition payments to religious private schools
  - ▶ Close 5-4 decision in 2010
- ▶ Empirical challenge is that religious exemptions appear in many parts of the tax code and many levels of government have fiscal capacity
- ▶ Sidestep this issue by focusing on court-made laws that make it harder or easier for governments to articulate fiscal and tax expenditures for religious purposes

# U.S. Supreme Court

$$\Delta \text{StrongRepublican\_Fundamentalism}_t = \beta \Delta \text{ChurchStateSeparation}_t + \epsilon_t$$

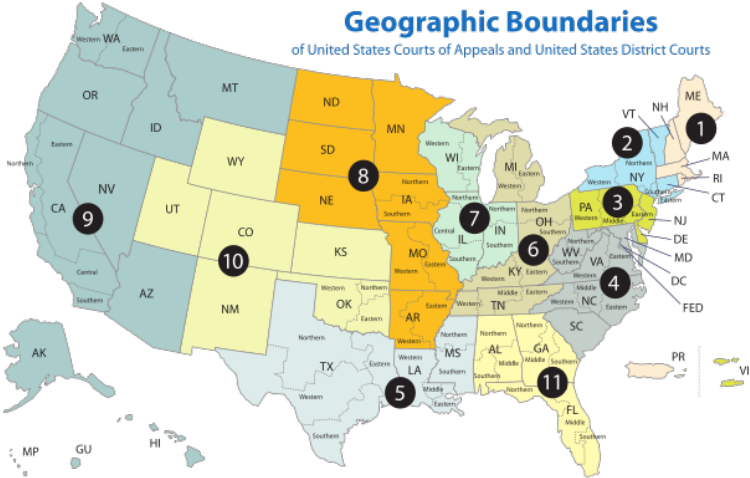


- ▶ Changes in church-state separation in one electoral cycle precede changes in the relationship between fundamentalism and strong Republican identification in the next election cycle ( $p < 0.1$ )
- ▶ Roughly 10 Supreme Court decisions would be equivalent to 0.02 in correlation between fundamentalism and strong Republican identification (the entire change from 1972 to 2004)

# U.S. Circuit Courts

## Geographic Boundaries

of United States Courts of Appeals and United States District Courts





# U.S. Circuit Courts

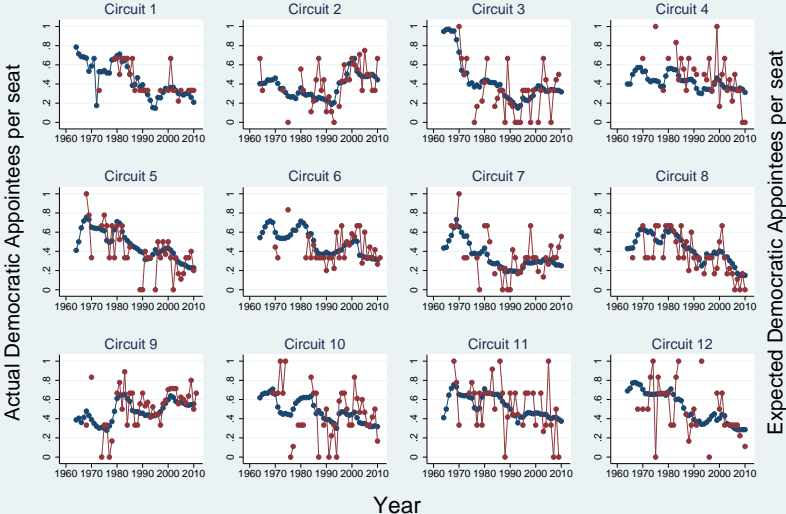
Random assignment is helpful for several reasons

- ▶ Bargaining under the shadow of the law
  - ▶ Plaintiff win rate reveals no information (Priest et al. 1984)
- ▶ Cross-fertilization of legal doctrine via analogies
  - ▶ E.g., *Roe v. Wade* extended Due Process Clause
- ▶ Constituencies influence policies (Besley et al. 2000) and judges instructed to take account the community standards
- ▶ Judges are consequentialist (Breyer 2006, Posner 1998)

Bias the correlation between future outcomes and today's decisions if they desire similar consequences while sitting on other cases

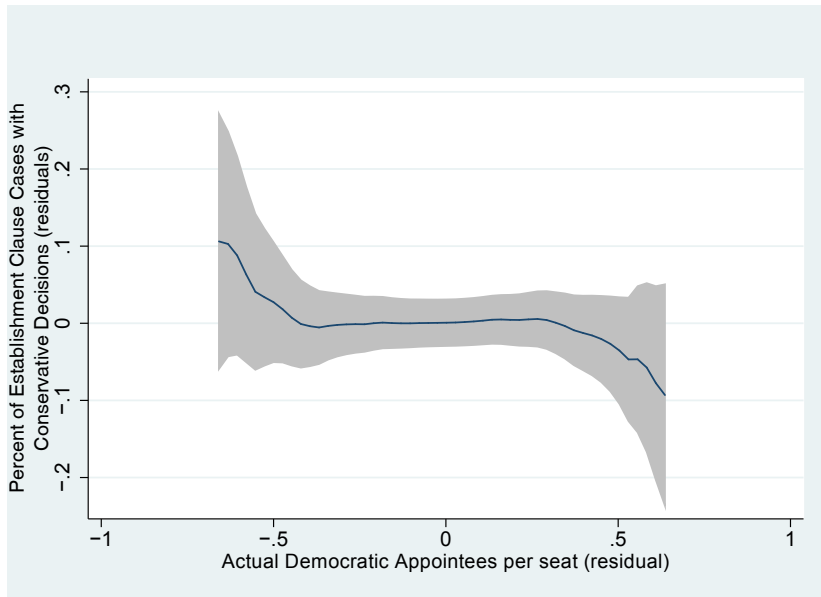
# U.S. Circuit Courts

## Random Variation by Circuit



Excess variation in Democrat judges is random in 456 cases since 1972

# U.S. Circuit Courts



Proportion of Establishment Clause Cases with Conservative Decisions

# U.S. Circuit Courts

$$Y_{ict} = \beta_0 + \sum_n \beta_{1n} \text{Law}_{c(t-n)} + \sum_n \beta_{2n} \mathbf{1}[M_{c(t-n)} > 0] + \\ \sum_n \beta_{3n} \text{Law}_{c(t-n)} Q_{ict} + \sum_n \beta_{4n} \mathbf{1}[M_{c(t-n)} > 0] Q_{ict} + \beta_5 Q_{ict} + \varepsilon_{ict}$$

Random assignment of judges to identify  $\text{Law}_{c(t-n)}$  and  $\mathbf{1}[M_{c(t-n)} > 0]$

- Some appellate judges more likely to separate church and state
- Some district judges more likely to be overturned on appeal
- Large number of valid instruments (biographical characteristics and interactions)
- Weak instruments problem with too many instruments

LASSO (Belloni, Chen, Chernozhukov, Hansen 2012)

- LASSO minimizes sum of squares subject to sum of absolute value of coefficients being less than a constant
- Sparse: Add penalty for too many coefficients; force less important coefficients = 0
- Continuity: stability of predictors
- OLS: low bias, large variance – but lacks the above
- Joint F can go up by 100%

# Church-State Separation and Rise of Religious-Right

<i>Panel A</i>	OLS	LASSO IV	Obs	Dependent
<i>Average Interaction Lag Effect</i>	(1)	(2)	(3)	Variable
				(4)
Identify as Strong Republican	0.004	0.009	42837	0.098
Joint P-value	0.057	0.000		
<hr/>				
<i>Panel B</i>				
<i>Average Interaction Lead Effect</i>				
Identify as Strong Republican	0.006	0.024	42837	0.098
Joint P-value	0.260	0.291		

One Circuit Court case equivalent to 40% of a Supreme Court case

# Discussion

- ▶ Novel theory for changing nature of religious movements
  - ▶ Previous work on decline of the Social Gospel movement and the rise of the Religious Right are descriptive (Carter 1956; Bateman 1998; Hood et al. 2005; Woodberry et al. 1998; Hubbard 1991; Midgley 1990)
    - ▶ Tend to **focus on another factor covarying over time**: religious pluralism, acceptance of scientific findings, urbanization, new media, Roe v. Wade, the Cold War, the World Wars, and Prohibition
    - ▶ Non-U.S. countries also experienced the same societal changes, yet their religious groups are still pro-welfare
- ▶ Novel theory for church-state separation
  - ▶ Previous accounts of church-state separation tend to be descriptive (Van Bijsterveld 2000; Barro et al. 2006; Kuru 2007)
    - ▶ **Focus on single factors across space**: income, statist, religious diversity
    - ▶ Fails to explain changes within-countries or European countries with large Muslim minorities and a state church
- ▶ Some countries are exceptions to our theory as well ▶ Exceptions

# Political Economy of Beliefs over Development

- ▶ Temporary shocks in credit availability or religious intensity may shift countries from one steady-state basin of attraction to another
- ▶ Counter-intuitive policy application
  - ▶ Economic sanctions, usually ineffective (Naghavi et al. 2015; Hufbauer et al. 2007), may increase theocratic tendencies
  - ▶ Story reverses
    - ▶ Elites restricted from international capital markets and lose access to alternative social insurance
    - ▶ Elites decrease church-state separation if religious voters exceed non-religious ones
  - ▶ Religious social insurance completes missing market for credit
- ▶ Dynamics of credit market access, theocracy, and fundamentalism in developing countries

Thank You.



# Countries with and without state church

Without state church	With state church
Albania	<i>Armenian Apostolic Church</i>
Australia	Armenia
Brazil	<i>Budhist</i>
Canada	Thailand
Chile	<i>Jew</i>
China	Israel
Taiwan	<i>Muslim</i>
Cyprus	Algeria
Czech Republic	Azerbaijan
Ethiopia	Bangladesh
Estonia	Iran
France	Iraq
Ghana	Jordan
Hong Kong	Kyrgyzstan
Hungary	Malaysia
India	Morocco
Indonesia	Pakistan
Japan	Saudi Arabia
South Korea	Egypt
Latvia	<i>Orthodox</i>
Lithuania	Bulgaria
Mali	Belarus
Mexico	Georgia
Netherlands	Moldova
New Zealand	Ukraine
Nigeria	Macedonia
Philippines	<i>Protestant</i>
Poland	Finland
Puerto Rico	Norway
Romania	Great Britain
Russian Federation	<i>Roman Catholic</i>
Rwanda	Andorra
Singapore	Argentina
Slovakia	Colombia
Viet Nam	Croatia
Slovenia	Dominican Republic
South Africa	El Salvador
Zimbabwe	Guatemala
Switzerland	Italy
Trinidad and Tobago	Peru
Turkey	Spain
Uganda	Venezuela
Tanzania	<i>The Church of Sweden</i>
United States	Sweden
Burkina Faso	
Uruguay	
Zambia	
Germany West	
Germany East	
Serbia	
Montenegro	
SrpSka - Serbian Republic of Bosnia	
Bosnia Federation	

# Outcome Variables in the U.S. Data

Variable	GSS name	Range	Mean	Obs
<i>Fiscal variables</i>				
Confidence: Business (ii)	conbiz	1-5	2.99	3814
Confidence: Business (i)	conbus	1-3	2.09	37175
Confidence: Financial inst	confinan	1-3	2.08	35053
Confidence: Organized labor	conlabor	1-3	2.20	36504
Equalize incomes (i)	eqincome	1-5	3.14	1867
Equalize incomes (ii)	equalize	1-4	2.58	6764
Equalize wealth (i)	equalth	1-7	3.72	28600
Equalize wealth (ii)	equlthy	1-7	3.67	749
Equalize incomes (iii)	goveqinc	1-5	3.21	10242
Gov. help general	helpnot	1-5	3.04	26920
Gov. help poor	helppoor	1-5	2.89	27570
Gov. help sick	helpsick	1-5	2.46	27646
Help cities (i)	natcity	1-3	1.65	29096
Help cities (ii)	natcityy	1-3	2.12	17090
Help cities (iii)	natcityz	1-3	1.63	427
Pro environment (i)	natenvir	1-3	1.48	31614
Pro environment (ii)	natenviy	1-3	1.43	19105
Pro environment (iii)	natenviz	1-3	1.49	465
Pro welfare (i)	natfare	1-3	2.28	31758
Pro welfare (ii)	natfarey	1-3	1.45	19447
Pro welfare (iii)	natfarez	1-3	1.38	473
Pro health (i)	natheal	1-3	1.40	32081
Pro health (ii)	nathealy	1-3	1.41	19441
Pro health (iii)	nathealz	1-3	1.46	465
Cut taxes	tax	1-3	2.62	30008
<i>Moral variables</i>				
Abortion: Any reason (i)	abany	1-2	1.59	31807
Abortion: Any reason (ii)	abchoose	1-5	3.04	1332
Abortion: Defect (ii)	abdefct1	1-4	1.65	1262
Abortion: Defect (i)	abdefct	1-2	1.20	39216
Abortion: Mother's health	abhhth	1-2	1.10	39384
Abortion: Preference	abmore	1-2	1.56	39093
Abortion: Family poor (i)	abpoor	1-2	1.53	39028
Abortion: Family poor (ii)	abpoor1	1-4	2.36	1219
Abortion: Rape	abrape	1-2	1.18	38981
Abortion: Mother single	absingle	1-2	1.56	39020
Teacher: Atheist	colath	1-2	1.48	34823
Teacher: Homosexual	colhomo	1-2	1.32	33283
Conf. in org. religion (i)	conclerg	1-3	2.08	37362
Conf. in org. religion (ii)	conclery	1-7	4.54	464
Legalize marijuana (i)	grass	1-2	1.73	32682
Legalize marijuana (ii)	grassy	1-2	1.67	743
Homosexual relations (i)	homosex	1-4	3.15	32707
Homosexual relations (ii)	homosex1	1-4	3.14	4903
Book in library: Atheist	libath	1-2	1.32	35156
Book in library: Homosexual	libhomo	1-2	1.33	33487
Pornography laws	pornlaw	1-3	2.34	33953
Religiosity	reliten	1-4	3.05	52101
Free speech: Atheist	spkath	1-2	1.29	35732
Free speech: Homosexual	spkhomo	1-2	1.24	33516
Extramarital relation (i)	xmarsex	1-4	3.63	34019
Extramarital relation (ii)	xmarsex1	1-4	3.69	5235

## Other Variables in the U.S. Data

	Mean	Std dev	Min	Max	Obs
Religious attendance	3.83	2.71	0.00	8.00	56512
Social conservatism	0.36	0.38	0.00	1.00	56171
Within-group giving	0.61	0.16	0.40	0.91	43996
Log income	9.95	1.01	5.50	12.00	51231
Age	45.70	17.47	18.00	89.00	56859
Highest year of school completed	12.75	3.18	0.00	20.00	56897
Gender	1.56	0.50	1.00	2.00	57061
Fundamentalist	0.31	0.46	0.00	1.00	54907
Religion: Evangelical protestant	0.31	0.46	0.00	1.00	43996
Religion: Mormon	0.14	0.35	0.00	1.00	43996
Religion: Catholic	0.32	0.47	0.00	1.00	43996
Religion: Jewish	0.03	0.16	0.00	1.00	43996
Religion: Other	0.05	0.22	0.00	1.00	43996
Religion: No religion	0.14	0.35	0.00	1.00	43996
Race: White	0.81	0.39	0.00	1.00	57061
Race: Black	0.14	0.35	0.00	1.00	57061
Race: Other	0.05	0.22	0.00	1.00	57061
Marital status: Married	0.54	0.50	0.00	1.00	57041
Marital status: Widowed	0.10	0.30	0.00	1.00	57041
Marital status: Divorced	0.12	0.33	0.00	1.00	57041
Marital status: Separated	0.03	0.18	0.00	1.00	57041
Marital status: Never married	0.20	0.40	0.00	1.00	57041

# Variables in the Worldwide Data

	Mean	Std dev	Min	Max	Obs
Government responsibility	6.22	3.02	1.00	10.00	234148
Income equality	5.93	3.02	1.00	10.00	230171
Attendance	3.62	2.58	0.00	7.00	238981
Lives in country with SC	0.39	0.49	0.00	1.00	257612
Belongs to SC	0.26	0.44	0.00	1.00	257612
Income level	4.51	2.39	1.00	10.00	226003
Age	40.31	15.91	14.00	99.00	247978
Female	0.52	0.50	0.00	1.00	252941
Education: Less than elementary	0.14	0.35	0.00	1.00	230283
Education: Elementary	0.15	0.35	0.00	1.00	230283
Education: Incomplete secondary	0.07	0.26	0.00	1.00	230283
Education: Intermediate vocational secondary	0.17	0.38	0.00	1.00	230283
Education: Intermediate general secondary	0.09	0.28	0.00	1.00	230283
Education: Full secondary	0.16	0.37	0.00	1.00	230283
Education: Some university w/o degree	0.07	0.26	0.00	1.00	230283
Education: University with degree	0.14	0.35	0.00	1.00	230283
Marital status: Married	0.58	0.49	0.00	1.00	253001
Marital status: Cohabitation	0.06	0.24	0.00	1.00	253001
Marital status: Divorced	0.03	0.17	0.00	1.00	253001
Marital status: Separated	0.02	0.13	0.00	1.00	253001
Marital status: Widowed	0.06	0.24	0.00	1.00	253001
Marital status: Never married	0.25	0.43	0.00	1.00	253001
Marital status: Divorced, Separated or Widow	0.00	0.02	0.00	1.00	253001
Marital status: Living apart but steady relation	0.00	0.01	0.00	1.00	253001

◀ Church state Separation

# The Grim/Finke Data

Variable	Overall mean	With state church	Without state church	Difference
Government Regulation index (GRI)	3.58 (2.91)	4.75 (3.01)	2.76 (2.55)	1.99 [0.00]
Social Regulation Index (SRI)	4.32 (2.90)	5.33 (3.07)	3.61 (2.56)	1.72 [0.01]
Government Favoritism Index (GFI)	5.61 (2.45)	6.96 (1.87)	4.66 (2.38)	2.30 [0.00]
Government favoritism for specific group	3.26 (1.83)	4.46 (1.47)	2.41 (1.56)	2.05 [0.00]

Social Regulation: Restrictions placed by other religious groups

Government Favoritism: Financial support and privileges for specific religions

[◀ Return](#)

## Variables in the Swedish and Norwegian Sample

	Mean	Std dev	Min	Max	Obs
Taxes on high incomes should be reduced	2.62	1.42	1.00	5.00	20607
It is not important to reduce income differences	2.44	1.28	1.00	5.00	20456
Preserving Christian values is important	2.78	1.31	1.00	5.00	16207
Period	3.03	1.44	1.00	5.00	28095
Sweden	0.63	0.48	0.00	1.00	28095

[← Return](#)

# Fiscal and Social Conservatism/Liberalism in the U.S. - Alternative Variable Definition

	Fiscal conservative			Moral conservative		
	(1)	(2)	(3)	(4)	(5)	(6)
Religious attendance	0.0140*** (0.00195)		0.0118*** (0.00176)	0.0904*** (0.00351)		0.0796*** (0.00263)
Social conservatism		0.0868*** (0.0111)	0.0647*** (0.00995)		0.483*** (0.0307)	0.357*** (0.0160)
Observations	54541	54166	53728	56170	55821	55373

- ▶ Average effect size of Katz et al. 2004 (seemingly unrelated regression)
- ▶ Controls: year, race, gender, income, age, age-squared, education
- ▶ Adjust standard errors for correlation within region (state) of residence

◀ Return

# Fiscal and Social Conservatism/Liberalism in the U.S. - Detailed Estimates

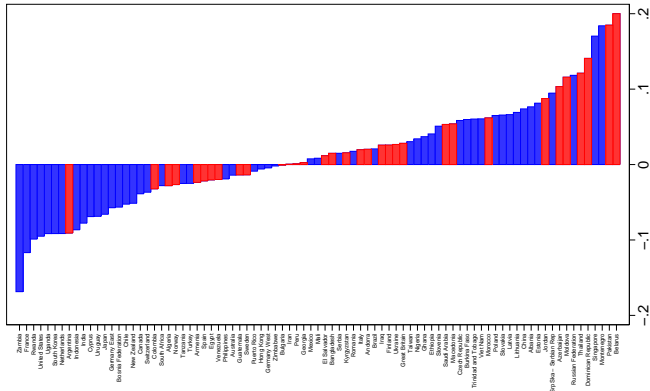
	(1)		(2)		(3)		Obs.
	Relig. attendance	Socially conservative	Relig. attendance	Socially conservative	Relig. attendance	Socially conservative	
<i>Fiscal conservative</i>							
Confidence: Business (n)	0.0264*** (0.0041)	-0.0369 (0.0350)	0.0207*** (0.0047)	-0.0006** (0.0035)	0.0298*** (0.0011)	-0.0403** (0.0095)	3691
Confidence: Business (i)	0.0129*** (0.0014)	0.0153 (0.0083)	0.0151*** (0.0014)	-0.0084 (0.0036)	0.0129*** (0.0011)	-0.0028 (0.0035)	33974
Confidence: Financial inst	0.0146*** (0.0014)	0.0437*** (0.0076)	-0.0017 (0.0013)	0.0467*** (0.0082)	0.0129*** (0.0011)	-0.0028 (0.0035)	35452
Confidence: Organized labor	-0.0201*** (0.0062)	0.0500 (0.0860)	0.0295*** (0.0053)	0.0077 (0.0071)	0.0077 (0.0071)	0.0077 (0.0071)	1821
Egalize incomes (i)	0.0212*** (0.0061)	0.0668 (0.0428)	0.0206** (0.0059)	0.0229 (0.0425)	0.0229 (0.0425)	0.0229 (0.0425)	6519
Egalize wealth (i)	0.0274*** (0.0029)	0.1039 (0.0620)	0.0246*** (0.0030)	0.0667 (0.0602)	0.0667 (0.0602)	0.0667 (0.0602)	27610
Egalize wealth (n)	0.0469 (0.0340)	0.3331* (0.1784)	0.0389 (0.0371)	0.2579 (0.2111)	0.2579 (0.2111)	0.2579 (0.2111)	737
Egalize incomes (iii)	0.0184*** (0.0034)	0.1051* (0.0483)	0.0158*** (0.0028)	0.0734 (0.0485)	0.0734 (0.0485)	0.0734 (0.0485)	9877
Gov. help general	0.0207*** (0.0033)	0.1103*** (0.0322)	0.0186*** (0.0036)	0.0758* (0.0334)	0.0758* (0.0334)	0.0758* (0.0334)	26026
Gov. help poor	0.0145*** (0.0031)	0.1277*** (0.0352)	0.0114** (0.0037)	0.1069** (0.0375)	0.1069** (0.0375)	0.1069** (0.0375)	26646
Gov. help sick	0.0296*** (0.0031)	0.2092*** (0.0324)	0.0246*** (0.0037)	0.1701*** (0.0344)	0.1701*** (0.0344)	0.1701*** (0.0344)	26728
Help cities (i)	0.0055** (0.0021)	0.0739** (0.0246)	0.0032* (0.0015)	0.0671** (0.0213)	0.0671** (0.0213)	0.0671** (0.0213)	28352
Help cities (ii)	0.0065** (0.0023)	0.1142*** (0.0191)	0.0030 (0.0021)	0.1065*** (0.0180)	0.1065*** (0.0180)	0.1065*** (0.0180)	16592
Help cities (iii)	-0.0208 (0.0596)	-0.0405 (0.0878)	-0.0041 (0.0089)	-0.0599 (0.0937)	-0.0599 (0.0937)	-0.0599 (0.0937)	412
Pro environment (i)	0.0147*** (0.0015)	0.1332*** (0.0153)	0.0110*** (0.0013)	0.1130*** (0.0153)	0.1130*** (0.0153)	0.1130*** (0.0153)	30790
Pro environment (ii)	0.0187*** (0.0022)	0.1472*** (0.0269)	0.0147*** (0.0019)	0.1203*** (0.0223)	0.1203*** (0.0223)	0.1203*** (0.0223)	18490
Pro environment (iii)	0.0015 (0.0012)	0.0980 (0.0886)	-0.0015 (0.0128)	0.0897 (0.0972)	0.0897 (0.0972)	0.0897 (0.0972)	449
Pro welfare (i)	0.0140*** (0.0015)	0.0941*** (0.0165)	0.0117*** (0.0017)	0.0749*** (0.0164)	0.0749*** (0.0164)	0.0749*** (0.0164)	30944
Pro welfare (ii)	0.0065* (0.0030)	0.0598** (0.0238)	0.0040 (0.0030)	0.0496** (0.0214)	0.0496** (0.0214)	0.0496** (0.0214)	18815
Pro welfare (iii)	-0.0028 (0.0080)	0.0701 (0.0611)	-0.0052 (0.0091)	0.0782 (0.0652)	0.0782 (0.0652)	0.0782 (0.0652)	457
Pro health (i)	0.0112*** (0.0018)	0.0545*** (0.0119)	0.0099*** (0.0017)	0.0387*** (0.0103)	0.0387*** (0.0103)	0.0387*** (0.0103)	31259
Pro health (ii)	0.0111*** (0.0023)	0.0644** (0.0223)	0.0096*** (0.0022)	0.0450** (0.0166)	0.0450** (0.0166)	0.0450** (0.0166)	18813
Pro health (iii)	0.0123 (0.0082)	0.0102 (0.0734)	0.0075 (0.0091)	0.0082 (0.0747)	0.0082 (0.0747)	0.0082 (0.0747)	448
Cut taxes	-0.0038*** (0.0009)	0.0421*** (0.0072)	-0.0055*** (0.0008)	0.0495*** (0.0070)	0.0495*** (0.0070)	0.0495*** (0.0070)	29037
<i>Moral conservative</i>							
Abortion: Any reason (i)	0.0501*** (0.0027)	0.2363*** (0.0190)	0.0450*** (0.0024)	0.1617*** (0.0094)	0.1617*** (0.0094)	0.1617*** (0.0094)	30826
Abortion: Any reason (ii)	0.1987*** (0.0127)	1.0409*** (0.0773)	0.1759*** (0.0123)	0.7661*** (0.0460)	0.7661*** (0.0460)	0.7661*** (0.0460)	1282
Abortion: Defect (i)	0.1262*** (0.0106)	0.6813*** (0.1427)	0.1108*** (0.0086)	0.5383*** (0.1208)	0.5383*** (0.1208)	0.5383*** (0.1208)	1227
Abortion: Defect (ii)	0.0398*** (0.0017)	0.1701*** (0.0125)	0.0395*** (0.0015)	0.1110*** (0.0082)	0.1110*** (0.0082)	0.1110*** (0.0082)	38006
Abortion: Mother's health	0.0227*** (0.0016)	0.0866*** (0.0101)	0.0210*** (0.0014)	0.0532*** (0.0079)	0.0532*** (0.0079)	0.0532*** (0.0079)	38267
Abortion: Preference	0.0537*** (0.0025)	0.2463*** (0.0190)	0.0487*** (0.0022)	0.1668*** (0.0101)	0.1668*** (0.0101)	0.1668*** (0.0101)	37987
Abortion: Family poor (i)	0.0523*** (0.0026)	0.2463*** (0.0192)	0.0482*** (0.0024)	0.1668*** (0.0103)	0.1668*** (0.0103)	0.1668*** (0.0103)	37916
Abortion: Family poor (ii)	0.1303*** (0.0143)	0.8836** (0.1212)	0.1077*** (0.0113)	0.7438*** (0.1290)	0.7438*** (0.1290)	0.7438*** (0.1290)	1184
Abortion: Rape	0.0377*** (0.0019)	0.1508*** (0.0174)	0.0345*** (0.0018)	0.1041*** (0.0138)	0.1041*** (0.0138)	0.1041*** (0.0138)	37867
Abortion: Mother single	0.0522*** (0.0023)	0.2404*** (0.0169)	0.0472*** (0.0023)	0.1645*** (0.0093)	0.1645*** (0.0093)	0.1645*** (0.0093)	37917
Teacher: Atheist	0.0194*** (0.0012)	0.1518*** (0.0083)	0.0154*** (0.0010)	0.1273*** (0.0095)	0.1273*** (0.0095)	0.1273*** (0.0095)	33726
Teacher: Homosexual	0.0215*** (0.0019)	0.1980*** (0.0143)	0.0160*** (0.0013)	0.1733*** (0.0134)	0.1733*** (0.0134)	0.1733*** (0.0134)	32213
Conf. in org. religion (i)	0.0689*** (0.0035)	0.1415*** (0.0181)	0.0683*** (0.0034)	0.0290** (0.0105)	0.0290** (0.0105)	0.0290** (0.0105)	36254
Conf. in org. religion (ii)	0.1011*** (0.0282)	0.2214 (0.1487)	0.1049*** (0.0275)	0.1206 (0.1366)	0.1206 (0.1366)	0.1206 (0.1366)	449
Legalize marijuana (i)	0.0340*** (0.0014)	0.1370*** (0.0141)	0.0310*** (0.0010)	0.0892*** (0.0103)	0.0892*** (0.0103)	0.0892*** (0.0103)	31620
Legalize marijuana (ii)	0.0400*** (0.0076)	0.3899*** (0.0599)	0.0293*** (0.0065)	0.3955*** (0.0623)	0.3955*** (0.0623)	0.3955*** (0.0623)	732
Homosexual relations (i)	0.1138*** (0.0063)	0.7147*** (0.0537)	0.0961*** (0.0044)	0.5659*** (0.0381)	0.5659*** (0.0381)	0.5659*** (0.0381)	31681
Homosexual relations (ii)	0.1123*** (0.0118)	0.8901*** (0.0932)	0.0882*** (0.0110)	0.7564*** (0.0757)	0.7564*** (0.0757)	0.7564*** (0.0757)	4726
Book in library: Atheist	0.0290*** (0.0011)	0.1868*** (0.0100)	0.0203*** (0.0008)	0.1546*** (0.0104)	0.1546*** (0.0104)	0.1546*** (0.0104)	34953
Book in library: Homosexual	0.0246*** (0.0010)	0.2009*** (0.0132)	0.0194*** (0.0006)	0.1702*** (0.0137)	0.1702*** (0.0137)	0.1702*** (0.0137)	24412
Pornography laws	0.0454*** (0.0014)	0.2267*** (0.0182)	0.0404*** (0.0007)	0.1648*** (0.0144)	0.1648*** (0.0144)	0.1648*** (0.0144)	32855
Religiosity	0.1769*** (0.0059)	0.6578*** (0.0477)	0.1669*** (0.0054)	0.3550*** (0.0189)	0.3550*** (0.0189)	0.3550*** (0.0189)	50894
Free speech: Atheist	0.0166*** (0.0010)	0.1296*** (0.0144)	0.0133*** (0.0008)	0.1087*** (0.0148)	0.1087*** (0.0148)	0.1087*** (0.0148)	34594
Free speech: Homosexual	0.0194*** (0.0016)	0.1730*** (0.0130)	0.0148*** (0.0010)	0.1486*** (0.0119)	0.1486*** (0.0119)	0.1486*** (0.0119)	24539
Extramarital relation (i)	0.0513*** (0.0018)	0.2418*** (0.0188)	0.0480*** (0.0020)	0.1669*** (0.0162)	0.1669*** (0.0162)	0.1669*** (0.0162)	32926
Extramarital relation (ii)	0.0457*** (0.0015)	0.2603*** (0.0387)	0.0403*** (0.0020)	0.1898*** (0.0377)	0.1898*** (0.0377)	0.1898*** (0.0377)	5050



# Within-Group Giving and Fiscal/Social Conservatism in the U.S. - Detailed Estimates

	Within-group giving	Obs.
<i>Fiscal conservative</i>		
Confidence: Business (i)	0.3524***	(0.0708) 3004
Confidence: Business (ii)	0.1579**	(0.0462) 26251
Confidence: Financial inst	0.2022***	(0.0310) 26771
Confidence: Organized labor	0.0961***	(0.0222) 27713
Equalize incomes (i)	0.4886***	(0.1767) 1425
Equalize incomes (ii)	0.2955**	(0.1220) 5307
Equalize wealth (i)	0.7074***	(0.1486) 22254
Equalize wealth (ii)	2.0101**	(0.6007) 545
Equalize incomes (iii)	0.4580**	(0.1539) 8124
Gov. help general	0.4843***	(0.0689) 20920
Gov. help poor	0.4622***	(0.0814) 21460
Gov. help sick	0.6974***	(0.0561) 21510
Help cities (i)	0.2315***	(0.0354) 22051
Help cities (ii)	0.4225***	(0.0647) 13462
Help cities (iii)	0.0646	(0.1823) 318
Pro environment (i)	0.3393***	(0.0511) 23876
Pro environment (ii)	0.3577***	(0.0689) 15027
Pro environment (iii)	0.7141**	(0.2356) 344
Pro welfare (i)	0.3183***	(0.0261) 23969
Pro welfare (ii)	0.2051***	(0.0602) 15338
Pro welfare (iii)	0.5037*	(0.2210) 352
Pro health (i)	0.2059**	(0.0311) 24284
Pro health (ii)	0.1743**	(0.0581) 15311
Pro health (iii)	0.1969	(0.3097) 345
Cut taxes	0.0877**	(0.0345) 23148
<i>Moral conservative</i>		
Abortion: Any reason (i)	0.5501***	(0.0556) 24546
Abortion: Any reason (ii)	1.7613***	(0.2383) 1046
Abortion: Defect (i)	0.7076**	(0.2688) 992
Abortion: Defect (ii)	0.2446***	(0.0439) 29695
Abortion: Mother's health	0.0553**	(0.0228) 29803
Abortion: Preference	0.5421***	(0.0617) 29710
Abortion: Family poor (i)	0.5304***	(0.0612) 29643
Abortion: Family poor (ii)	1.3374**	(0.4190) 953
Abortion: Rape	0.2189***	(0.0433) 29489
Abortion: Mother single	0.5295**	(0.0595) 29661
Teacher: Atheist	0.4020***	(0.0333) 26594
Teacher: Homosexual	0.4603***	(0.0350) 25538
Conf. in org. religion (i)	0.6764***	(0.0782) 28402
Conf. in org. religion (ii)	0.2125	(0.6244) 346
Legalize marijuana (i)	0.4460***	(0.0395) 25058
Legalize marijuana (ii)	0.8901***	(0.1238) 542
Homosexual relations (i)	2.0739***	(0.1330) 25144
Homosexual relations (ii)	2.1003***	(0.1370) 3873
Book in library: Atheist	0.4351***	(0.0510) 26821
Book in library: Homosexual	0.4681***	(0.0462) 29651
Pornography laws	0.6039***	(0.0340) 26022
Religiosity	2.9723***	(0.1512) 40473
Free speech: Atheist	0.2958***	(0.0438) 27271
Free speech: Homosexual	0.3632***	(0.0400) 25690
Extramarital relation (i)	0.7588***	(0.0720) 26059
Extramarital relation (ii)	0.6757***	(0.0730) 4112

# Exceptions - formerly Communist countries



Blue - No state church

Red - State church

Why not uniform blue to left and red to the right?

Almost all of the exceptions in the right-half are formerly Communist countries.

- ▶ Countries with a state church where religiosity negatively predicts pro-welfare attitudes: Serbia, Romania, Slovenia, Czech Republic, Vietnam, Slovakia, Latvia, Lithuania, China, Albania, Estonia, Serbia, and Russia.

# Detailed Estimation Results on Welfare Attitudes Around the World

Country	Total	Wave 2	Wave 3	Wave 4	Wave 5
Albania	.077*** (.027)		.081** (.041)	.026 (.036)	
Algeria	-.026 (.026)			-.028 (.030)	
Andorra	.02 (.037)				.02 (.037)
Anguilla	.21*** (.048)		.21*** (.034)		
Argentina	-.061*** (.02)		-.061*** (.026)	-.044 (.036)	
Aruba	-.011 (.031)				
Bangladesh	.015 (.026)		-.026 (.066)	-.002* (.037)	
Barbados	-.024 (.026)		-.024 (.026)		
Brazil	.021 (.022)	.041 (.034)	-.026 (.032)		-.04 (.031)
Bulgaria	-.0010 (.026)		-.001** (.041)		.007 (.042)
Burkina Faso	.21*** (.026)		.19*** (.026)		
Canada	-.030** (.016)		-.061*** (.016)	-.028 (.021)	.049** (.021)
Chad	-.0020*** (.017)			-.014 (.021)	.041 (.016)
China	.014* (.04)		.052 (.041)	-.012 (.036)	.0053 (.042)
Cuba	-.008* (.046)		-.0042 (.025)		-.004** (.028)
Cyprus					-.0047 (.036)
Czech Republic	.016* (.01)		.022 (.036)		
Democratic Republic of Congo	.14** (.061)		.14** (.061)		
Dominican Republic	.012 (.041)		.012 (.041)		
Ecuador	.061 (.034)				.061 (.034)
Egypt	.011* (.044)		.011* (.044)		
Finland	.026 (.026)		.06 (.047)		-.0027 (.038)
France	-.12*** (.04)				-.12*** (.04)
Ghana	.026 (.022)		-.02 (.022)		-.00027 (.022)
Greece	.017 (.047)				.017 (.047)
Guatemala	-.024 (.054)				-.024 (.054)
Hong Kong	-.0009 (.046)				-.0009 (.046)
India	-.010*** (.02)	.019 (.027)	-.001** (.041)	-.15*** (.046)	.008** (.042)
Indonesia	-.007*** (.021)			-.003 (.027)	.009** (.024)
Ireland	.00048 (.016)			.01 (.017)	.017 (.027)
Italy	.024** (.011)			.049*** (.016)	.0001 (.014)
Jamaica	.01 (.038)				.02 (.038)
Japan	-.066*** (.021)			.13*** (.041)	.0027 (.045)
Jordan	.0001** (.02)			.049* (.026)	
South Korea	-.062*** (.017)	-.026 (.048)	.041** (.028)	-.001** (.025)	.022 (.028)
Korea	.016 (.04)			.04 (.04)	
Latvia	.040* (.017)		.040* (.017)		
Lithuania	.019 (.042)		.019 (.042)		
Malta	.0048 (.036)				.0048 (.036)
Mexico	.016 (.017)		.016 (.026)	-.014 (.040)	.016 (.036)
Moldova	.12*** (.026)		.19*** (.044)	.016 (.047)	.11*** (.045)
Morocco	.061*** (.022)				.062*** (.022)
Netherlands	-.041*** (.011)				.0011*** (.011)
New Zealand	-.011** (.021)		-.011** (.021)		-.046 (.027)
Nigeria	.014 (.028)	-.072 (.016)	.11*** (.041)	-.07 (.051)	.031 (.036)
Norway	-.027 (.025)		-.016 (.034)		
Oman	.10*** (.042)			.19*** (.042)	.019* (.036)
Panama	.011 (.024)		.0018 (.045)	-.011 (.041)	.0054 (.038)
Philippines	-.019 (.046)			-.024 (.046)	
Poland	.047* (.016)		.11** (.046)		
Porto Rico	-.0108 (.011)		-.01006 (.014)	.00016 (.016)	.013 (.021)
Romania	.018 (.028)		.0027 (.041)		-.026 (.037)
Russian Federation	.12*** (.021)		.011 (.011)		.026 (.021)
Rwanda	-.096 (.06)				-.096 (.06)
South Africa	.01* (.028)			.01* (.028)	
Singapore	.17*** (.01)			.17*** (.01)	
Slovakia	.064** (.027)		.016** (.01)		
Slovenia	.061** (.027)			-.09* (.046)	.12*** (.034)
Sri Lanka	-.014* (.014)				-.011 (.017)
Switzerland	.011** (.016)		-.046* (.037)	.0046 (.021)	.007** (.016)
Tanzania	-.019 (.046)				
Taiwan	-.012 (.015)		.016 (.01)		.011 (.016)
Turkey	-.014 (.026)		-.0043 (.026)	-.014 (.036)	-.014 (.04)
Turkmenistan	-.017 (.044)		.016 (.034)		
Thailand	.12*** (.017)				.12*** (.017)
Turkey and Turkmenistan	.06 (.046)				.06 (.046)
Turkey	-.025* (.014)	.12*** (.018)	.16*** (.021)	.070*** (.016)	.06 (.046)
Uganda	-.012 (.041)			-.042 (.046)	-.011 (.039)
Ukraine	.017 (.011)		.071*** (.024)		-.046 (.041)
Malta	.014* (.021)		.1** (.046)	-.014 (.046)	
Egypt	-.01* (.013)			.0012 (.016)	.0011** (.014)
Great Britain	.028 (.014)				.028 (.014)
Tanzania	-.026 (.016)			-.015 (.016)	.028 (.014)
United States	-.060*** (.017)		-.061*** (.018)	-.022 (.012)	.12*** (.018)
British Isles	.01* (.046)				.01* (.046)
Uganda	-.001** (.01)		-.009 (.038)		-.009 (.04)
Uruguay	-.01 (.011)			-.015 (.042)	-.015 (.04)
Zambia	-.11*** (.04)				.11*** (.04)
Germany West	-.0015 (.015)		-.012 (.041)		-.013 (.042)
Germany East	-.012** (.01)		-.011 (.041)		-.041 (.042)
Switzerland	.015 (.014)		.071*** (.038)	.14*** (.042)	-.016 (.042)
Malaysia	.017*** (.016)			.20*** (.041)	
Saudi Arabia	.004* (.014)				.004* (.014)
Saudi Arabia - Arabian Spg	.004* (.014)				.004* (.014)
Russian Federation	-.014** (.016)		-.011 (.016)		-.014** (.016)

# Social Conservatism Around the World

	Attendance		N
Respect and love for parents	0.012***	(0.001)	152872
Parents responsibilities to their children	0.008***	(0.001)	152336
Important child qualities: good manners	0.001	(0.001)	123876
Important child qualities: religious faith	0.043***	(0.003)	232732
Important child qualities: obedience	0.006***	(0.001)	234867
Important child qualities: independence	-0.010***	(0.001)	234867
Important child qualities: imagination	-0.007***	(0.001)	232569
Important child qualities: tolerance and respect for other people	-0.002***	(0.001)	234867
What children should learn 1	0.028***	(0.002)	69072
Jobs scarce: Men should have more right to a job than women	0.007***	(0.001)	219238
A woman has to have children to be fulfilled	0.008***	(0.001)	156126
Marriage is an out-dated institution	0.000	(0.000)	205297
Enjoy sexual freedom	-0.013***	(0.002)	87478
Woman as a single parent	-0.016***	(0.002)	216423
Statement: good and evil	0.021***	(0.002)	128720
Justifiable: homosexuality	0.014***	(0.001)	205856
Justifiable: abortion	0.024***	(0.002)	216178
Justifiable: divorce	0.015***	(0.001)	218534
Justifiable: euthanasia	0.021***	(0.002)	201121

[◀ Return](#)