

# NGO Donations and Support for Government Aid in Australia

Terence Wood, Alexandra Humphrey Cifuentes, Jonathan Pryke

## Abstract

This paper is an update of our previous research on NGO donations and support for ODA in Australia. It uses more recent and more accurate data, and we believe its findings to be improved. The paper reports on research in which electorate-level data about donations to Australian aid NGOs were combined with survey data on support for government aid, census sociodemographic data and election results. The combination of these datasets allows analysis of the traits associated with giving to NGOs alongside the traits associated with support for government aid. This comparison provides answers to questions about the types of attributes associated with donations to NGOs. It also allows us to test whether NGO support is associated with support for government aid. The central finding of the paper is that parts of Australia where donations to NGOs are highest tend to be places where support for government aid is highest too. However, the correlation is far from perfect and the traits associated with NGO donations differ somewhat from those associated with support for government aid. Notably, income, and centre left and centre right political views, have effects on NGO donations that are the opposite of those they have on support for government aid. Other traits, however, have similar effects on both NGO donations and support for government aid. In particular, Green party support and education are both positively associated with support for more government aid and higher donations, while religion is negatively associated with both.

## **NGO Donations and Support for Government Aid in Australia**

Terence Wood is a Research Fellow at the Development Policy Centre.<sup>1</sup>

Alexandra Humphrey Cifuentes works for Frontier Economics Pty. Ltd.

Jonathan Pryke is a Research Fellow in the Melanesia Program of the Lowy  
Institute for International Policy

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## 1. Introduction

This paper is an update of our previous research on NGO donations and support for ODA in Australia (specifically, Wood et al. 2014). It uses more recent and more accurate data, and we believe its findings to be improved. Where findings differ between this paper and the 2014 paper, we recommend you draw on the findings of this paper.

Until recently, little academic work existed looking at support for aid work in donor countries. In recent years this state of affairs has changed for the aid that governments give, with a growing body of work shedding light on the correlates of support for government Official Development Assistance (ODA). Yet, despite this recent work on ODA, to-date there has been almost no work looking at another aspect of support for aid work: the private donations that individuals make to non-governmental organisations (NGOs) working in this area. The work that does exist on donations to NGOs has tended to be experimental, looking at how donations can be increased (for example, Hansen et al. 2014; Karlan & Wood 2014), and has not focused on the traits associated with an increased overall propensity to donate to aid NGOs.

In part, this absence is for good reason. The most obvious means of finding out whether people have donated to NGOs—asking them about donations along with other survey questions—is hampered by the risk of social desirability bias. Because donating to charity is broadly considered socially desirable, it is likely that at least some respondents to surveys will state they have given to NGOs even when they have not (Bekkers & Wiepking 2011; Connelly & Brown 1994). In addition to this, other issues such as incorrect recollection of when donations have been given may further compound problems associated with reported donations. Yet despite these issues, gaining an understanding of the traits associated with NGO giving is an important part of fully understanding how donor country publics engage with, and support, aid work. Not the least because donations to NGOs involve direct, immediate sacrifice in the name of aid work on behalf of the person making the donation, something that is not true of surveyed support for government aid.

The work that follows analyses data from actual donations to NGOs alongside election results, census data, and data about preferred ODA volumes from a large online survey. The analysis is undertaken using multiple regression and the unit of analysis is Australian electoral district—the unit at which the different datasets can be matched together. The analysis is undertaken for the purpose of identifying the sociodemographic and political traits associated with donations to aid NGOs. It is also undertaken to ascertain whether donations to NGOs are associated with support for government ODA, and whether the traits associated with donations to NGOs are also associated with support for ODA.

Understanding the relationship between NGO support and support for ODA is of practical use to aid campaigners. Currently in Australia, NGOs are calling on their financial supporters to help in campaigning for increases to Australian government aid. However, if NGO supporters are not particularly predisposed to supporting ODA, such efforts may be ineffective and campaigners may be better off targeting their campaign building efforts elsewhere. Understanding the relationship between donations to NGOs and support for ODA is also of theoretical interest as it can provide important insights about the nature of public attitudes to aid. In particular, a clear relationship between donations to NGOs and support for ODA would suggest that the Australian public can be fairly simply thought of in terms of supporters of aid (be it given by the state or through private donations to NGOs) and opponents of aid. However, a more ambiguous relationship between donations to NGOs and support for ODA might suggest that Australians' views about aid are not so simply divided, and that there are other issues afoot, such as differing views about whether aid is the state's responsibility or whether it is something that should be left to private charity.

To an extent, the findings of this study fit with the first of these two possibilities: there is a clear correlation between average surveyed support for ODA in Australian electoral districts and the proportion of electoral districts who donate to aid NGOs. Moreover, some traits, such as education, religion, and support for the Green Party have similar associations with both donating to NGOs and with support for ODA. However, the correlation between donations and support for ODA is not perfect, and some attributes

have different effects on support for ODA and donations to NGOs. Most interesting is a political divide that exists between supporters of Australia's two main political parties. Controlling for other variables, support for the (centre-right) Coalition is positively associated with NGO donations, but negatively correlated with support for ODA. Conversely, support for the centre-left Labor Party is negatively correlated with donations to NGOs but positively correlated with support for ODA. These differences fit quite well with the two parties' ideological differences about the respective roles of the state and private choices.

The rest of this paper takes the following form. In the next section, we look at existing work on the correlates of support for ODA. We then detail the methods used in our analysis before reporting our results. Finally, we discuss our findings and what they mean for our understanding of how the Australian public approaches aid giving.

## **2. Existing research on public opinion about aid**

Although very little research exists attempting to identify the traits associated with the propensity to donate to aid NGOs, a number of papers exist studying the traits associated with surveyed support for ODA. While this work is far from unanimous in its findings, there are enough common findings across different papers to provide a clear sense of the traits we might expect to find associated with support for ODA in Australia, and that we might also expect to find associated with the propensity to donate to aid NGOs if support for ODA and donating to NGOs are themselves related. In this section, we outline these traits and what the literature has found regarding them.

A common finding across much of the existing international literature has been that income or wealth is positively associated with support for aid (Chong & Gradstein 2008, p. 8; Diven & Constantelos 2009, p. 128; Paxton & Knack 2012, p. 181). Interestingly, however, this relationship is less readily apparent in work from Australia. In his analysis of survey data generated from a general question about approval of government aid giving Wood (2015, p. 15) found only tentative support for the hypothesis that income was positively related to approval of ODA. And when he analysed (p. 31) data from a more detailed question about

aid cuts he found no relationship. (The coefficients actually suggested a negative relationship, albeit one that was not statistically significant.)

Almost all of the existing work on support for ODA, including existing work from Australia, has found education to be positively associated with support for government aid (Chong & Gradstein 2008, p. 8; Diven & Constantelos 2009, p. 128; Wood 2015). The only exception to this is Henson and Lindstrom who (2013, p. 72) found no relationship between education and opposition to ODA cuts in the United Kingdom.

Another finding common to much of the work on support for ODA is a positive relationship between youth and ODA. For example, Chong and Gradstein (2008, p. 8) found younger people were more supportive of increasing ODA, and Henson and Lindstrom (2013, p. 72) found younger people were more likely to oppose ODA cuts in the United Kingdom. Using international data, Paxton and Knack (2012, p. 181) found a positive relationship between youth and support for ODA, although in their case the finding was only tentative.

The relationship between gender and support for ODA is not particularly clear. Chong and Gradstein (2008, p. 8) found gender did not affect support for aid, and Henson and Lindstrom (2013, p. 72) found no relationship between gender and opposition to ODA cuts in the United Kingdom. Similarly, using Australian data from a question about government aid cuts, Wood (2015, p. 31) found no relationship between gender and views about aid cuts. However, working off a different dataset, Wood (2015, p. 15) did find that women were more likely to approve of government aid giving in a general sense. And, using international data, Paxton and Knack (2012, p. 181) found women to be more supportive of ODA.

Existing research suggests the relationship between religious views and views about ODA is complex. Henson and Lindstrom (2013, p. 72) failed to find any relationship between a binary question about religion (religious or not) and views about ODA cuts in the United Kingdom. Paxton and Knack (2012, p. 181) also found no relationship between a question about the “importance of religion” and views about ODA. However, they did find a positive association between attendance of religious service and support

for ODA. In a similar vein, Wood (2015, p. 15) found religious people to be less supportive of ODA than non-religious people in Australia. But, when he disaggregated religious people into different groups based on frequency of attendance of religious service, he found that, while religious people who rarely attended service tended to approve of ODA less than the non-religious, frequent attenders of religious service were actually more positively disposed to ODA than non-religious people were (2015, p. 15).

A near universal finding in work on public opinion about ODA is a positive relationship between left-leaning political views and support for ODA (Cheng & Smyth 2016, p. 66; Chong & Gradstein 2008, p. 8; Milner & Tingley 2010, p. 216; Milner & Tingley 2013, p. 393; Paxton & Knack 2012, p.181; Wood 2015, p. 15 & p. 31). In addition to the finding to do with political beliefs, a range of other beliefs have been shown to be positively associated with support for ODA in some studies. Many of these cannot be tested with our data but are worth noting in passing. Some studies, including one from Australia, have found positive views about immigrants, or foreigners to be positively associated with support for ODA (Clarke et al. 2014, p. 23; Minato 2015, p. 819; Prather 2011, p. 19; Wood 2015, p. 15). Likewise, support for multilateralism and similar cosmopolitan views have been found both in the international literature and in Australian work to be positively associated with support for ODA (Diven and Constantelos 2009, p. 128; Paxton and Knack 2012, p. 181; Wood 2015, p. 15).

### **3. Data and methods**

The four data sources used in this study are described below. The method used for analysis was ordinary least squares regression (run with Huber-White standard errors). Except when stated in results, the findings proved robust to the exclusion (or down-weighting) of high-leverage outliers. The unit of analysis used was federal electoral districts (referred to in Australia as electorates — there are 150 in total). As a unit for study electorates bring one key challenge: that of ecological inference and the limitations faced by attempts to infer the attributes and actions of individuals from information aggregated at a higher level (King 1997). One cannot inevitably assume – for example – that just because there is a correlation between the proportion of the

population in each electorate who votes for a particular political party and the level of support for ODA that, within electorates, individuals who support the party in question are actually the same individuals who support ODA. As discussed in the concluding section, this is a limitation we plan to address in future work. However, for the time being, the fact that the unit of analysis is the electorate, not the individual, means that, while some suggestive inferences can be made about individuals from this study's results (particularly given the strength of the associations found), strictly speaking this analysis is of geographical areas, not people.

At the same time, working at the electorate level brings advantages. In particular it enabled combination of the four datasets of interest. With two of these datasets (electoral data, and donations to NGOs), it also allowed us to draw on measures of actual actions undertaken (voting and giving) in addition to survey responses.

### **3.1 Vote Compass data**

In the lead up to the 2016 elections, in association with the Australian Broadcasting Corporation (ABC), the Canadian survey organisation Vote Compass ran an online poll (hosted in the ABC's website) which surveyed Australians on their political attitudes.<sup>2</sup> Amongst other questions, the survey asked respondents, "How much should Australia spend on foreign aid?".<sup>3</sup> In addition to a 'don't know' option, respondents were given an ordered five category scale ranging from 'much less' to 'much more' to express their position on the statement. The values used in our main regressions in this paper are electorate-level averages based on the proportion of respondents (excluding those who did not know) in each electorate who gave answers in each of the categories. Potentially, these electorate-level averages could range from one (if everyone in an electorate thought the government should give much less aid) to five (if everyone in an

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<sup>2</sup> The survey website was < <https://votecompass.abc.net.au/>>.

<sup>3</sup> Plausibly this question could be taken to include attitudes about private donations as well as ODA although, given the questions in the rest of the survey were about government policy, we believe it reasonable to assume respondents took the question to be about ODA.

electorate thought the government should give much more aid). The Australian Vote Compass Survey received over 1,200,000 responses in total.

The Vote Compass survey involved self (rather than random) selection, which potentially introduces considerable bias to the data. However, in the data they provided, Vote Compass took advantage of very large sample to address this issue as best possible through weighting to make the data broadly representative of the population it was drawn from. This correction does not completely eliminate the risk of bias, and is not an ideal substitute for probability sampling, yet it does reduce some of the concerns associated with self-selection. Online surveys of this sort are increasingly producing data used in social science research and although the limitations are known (Baker et al. 2013, p. 97), using this form of data our approach does not lie outside the norms of existing work.

Another potential issue associated with the Vote Compass data is that they come from a question that asks respondents for their views about whether ODA should be increased or not without providing them any information about the actual size of the Australian government aid budget. Available evidence (Burkot & Wood 2015, p. 11) suggests many Australians believe Australia gives considerably more aid than it does. In theory, this might bias responses to the Vote Compass question. However, recent experimental research from Australia indicates that, on average, providing Australians with information on how much aid Australia gives does not change their opinions about whether aid should be increased or not (Wood 2016, p. 9).

### **3.2 ACFID NGO donations data**

ACFID is an Australian peak body tasked with representing the interests of Australian NGOs working in international development. The organisation has over 100 member organisations, and its members include almost all of Australia's major aid NGOs. In 2016 ACFID drew upon 2015 data gathered from their members to report, on an electorate by electorate basis, on the number of Australians who had made donations to their member NGOs. These data came from a subset of 19 of their members. This subgroup contained 18 of the largest 25 ACFID member NGOs.

There are four key limitations with the ACFID data.

First, they provide no detail on volumes donated, meaning we are restricted to simply analysing the proportion of each electorate's population who donated over the year covered.

Second, the dataset does not cover all ACFID member NGOs. However, it does cover almost all of the largest ACFID member NGOs—a group whose donors comprise 81 per cent of all individual donors to ACFID member NGOs in 2015. In terms of the dollar value of the donations they received, these NGOs received 80 per cent of donations from the public to ACFID member NGOs in 2015.

A closely related issue is that five large Australian NGOs (MSF, Compassion, Amnesty International, Rotary and Catholic Mission) are not members of ACFID. However, even taking into account these NGOs, our dataset contains details for NGOs that obtained 64 per cent of all private donations to NGOs in Australia in 2015. What is more, although the exclusion of the smaller ACFID member NGOs and the five other large organisations no doubt reduces to some degree the absolute number of donors per electorate, it is unlikely to bias the measure of most interest: relative differences in donor numbers between electorates.<sup>4</sup>

Third, data were provided to ACFID by individual NGOs, and the numbers of each NGO's individual donors were then added together for each electorate. It was not possible to ascertain if individuals have donated to more than one NGO over the time period covered. Potentially, to the extent that individuals donate to more than one NGO in a

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<sup>4</sup> Given we find a negative relationship between religion and donor proportions in electorates, the following is important to note. Of those ACFID members whose religious orientation is known (almost all members), 64 per cent are secular and 36 per cent are religious. And 60 per cent of the five large non-ACFID NGOs who were not surveyed were secular. 47 per cent of the NGOs in our dataset were secular and 53 per cent were religious. In other words, if anything, religious NGOs are over-represented in our sample, and the issue of excluded NGOs is almost certainly not the cause of the negative relationship between religion and NGO donor proportions. Also, note that the high share of survey responses from religious NGOs was not deliberate but rather reflects the fact that there are a number of large ACFID members that are religious.

year, this may mean that the total absolute numbers of donors per electorate could be overstated. However, once again, this is only a minor issue for our analysis, which focuses on variation between electorates, something that is unlikely to be biased by individuals donating to more than one NGO.

Fourth, not all postcodes map perfectly to electorates in Australia (although many do). This meant that in their compilation of the data, ACFID had to apportion donors per postcode into donors per electorate. This was undertaken carefully (and with our involvement) but will not have been a perfectly accurate exercise. However, once again, there is no reason to think it will have introduced systematic bias into the results.

Using the ACFID NGO donor data we calculated the proportion of the total voting age population (from 2016 electoral enrolment data) of each electorate who had donated to NGOs, and this proportion is the variable we used in analysis.

### **3.3 Election results data**

Our third dataset is a list of first preference votes cast in the 2016 general election for the three main Australian political groupings. These are the left-leaning Greens Party of Australia, the centre-left Australian Labor Party, and the Coalition (the two major centre right political parties, the Liberals and the Nationals, who coordinate electorally).<sup>5</sup>

### **3.4 Census data**

Our final dataset is information from the 2011 census on a series of socio-economic and demographic variables for each Australian electorate.<sup>6</sup> Specifically, we compiled the following information from census data for each electorate:

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<sup>5</sup> Results were taken from the Australian Electoral Commission's website

<<http://results.aec.gov.au/20499/Website/Downloads/HouseFirstPrefsByCandidateByVoteTypeDownload-20499.csv>>

<sup>6</sup> Data were taken from the Australian Bureau of Statistics' Table Builder application

<<https://www.censusdata.abs.gov.au/webapi/jsf/login.xhtml>>. More information on the data we extracted via Table Builder can be provided on request.

- Whether the electorate was predominantly in a state capital city. A dummy variable was coded one if it was. A dummy variable was used because the distribution of rural and urban electorate populations was clearly bimodal (that is, electorates tended to be almost entirely in capital cities or not in them).
- The proportion of the electorate's population older than 18 years old who were aged between 18 and 35 years in age. This was used as a measure of the electorates' youthful voting age population.<sup>7</sup>
- The proportion of the electorate's total population who told census enumerators they were religious.
- The proportion of the electorate's total population aged over 18 with an academic tertiary education.
- The proportion of individuals of working age in each electorate earning over AU\$52,000/ year. We used \$52,000 as this was the closest census band to Australia's median income in 2011, which was AU\$46,800.<sup>8</sup>

As with the ACFID NGO donation data, we had to aggregate electorate-level information from post code information. In doing this we followed ACFID's mapping. One unfortunate limitation with using census data aggregated to electorates is that it is not possible to test the impact of gender on support for ODA: with a small number of exceptions, most Australian electorates have populations that are very close to being gender balanced.

Table 1 below provides descriptive statistics on each of the variables gathered from our various datasets.

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<sup>7</sup> We focused on voting age population as we were drawing on election results for political data. Also, we were using donations to NGOs which, it seemed reasonable to assume, would primarily come from those over 18. We ran regressions using a different measure of age (the average age of electorates) this did not change our main findings substantially.

<sup>8</sup> As an alternate measure, we also calculated the average income of each electorate. Using this alternate measure did not change results dramatically.

**Table 1 – Variables and Descriptive Statistics**

Variable name	Variable description	Std				n
		Mean	dv	Min	Max	
NGO Donations	Proportion of voting aged population who gave to NGOs	0.10	0.04	0.04	0.20	150
Govt aid	Support for govt aid (1-5)	2.95	0.28	2.29	3.63	150
Prop 18-35	Proportion of over 18 population who were aged 18-35	0.30	0.06	0.20	0.53	150
Prop > med income	Proportion of population earning over median income	0.28	0.08	0.15	0.52	150
Religious	Proportion of population religious	0.75	0.06	0.59	0.91	150
Academic	Proportion of population over 18 with academic edn.	0.20	0.10	0.07	0.47	150
State capital	State capital (binary)	0.66	0.48	0.00	1.00	150
Coalition	Proportion who voted Coalition	0.40	0.10	0.17	0.64	150
Green	Proportion who voted Green	0.10	0.06	0.03	0.43	150
Labor	Proportion who voted Labor	0.33	0.11	0.06	0.59	150

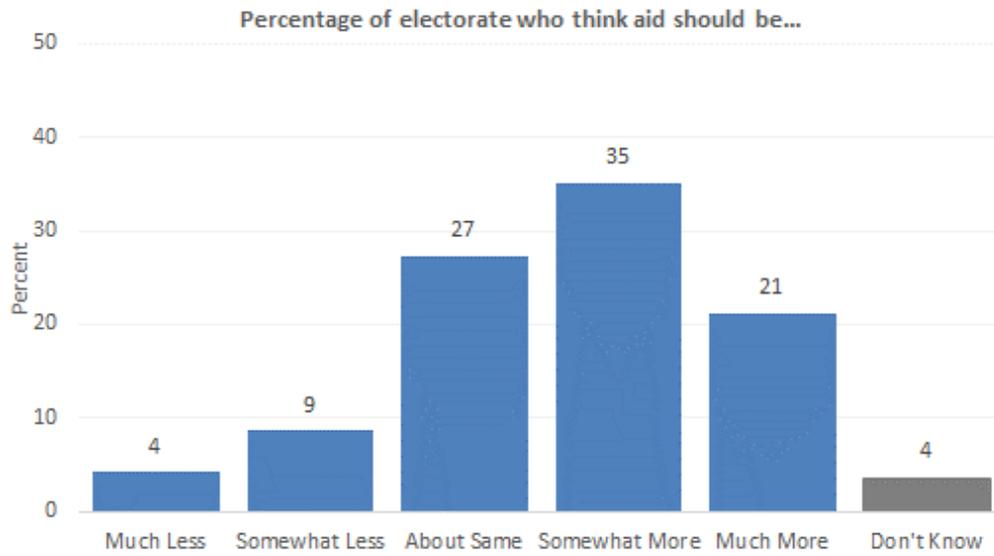
Figures 1 and 2 offer a sense of support for ODA and the proportion of Australians who donate to NGOs. Figure 1 shows responses to the Vote Compass question for the electorate that had the highest level of support for increasing ODA as well as the electorate that had the lowest level of support for increasing ODA. Figure 2 does the same for NGO donations.<sup>9</sup>

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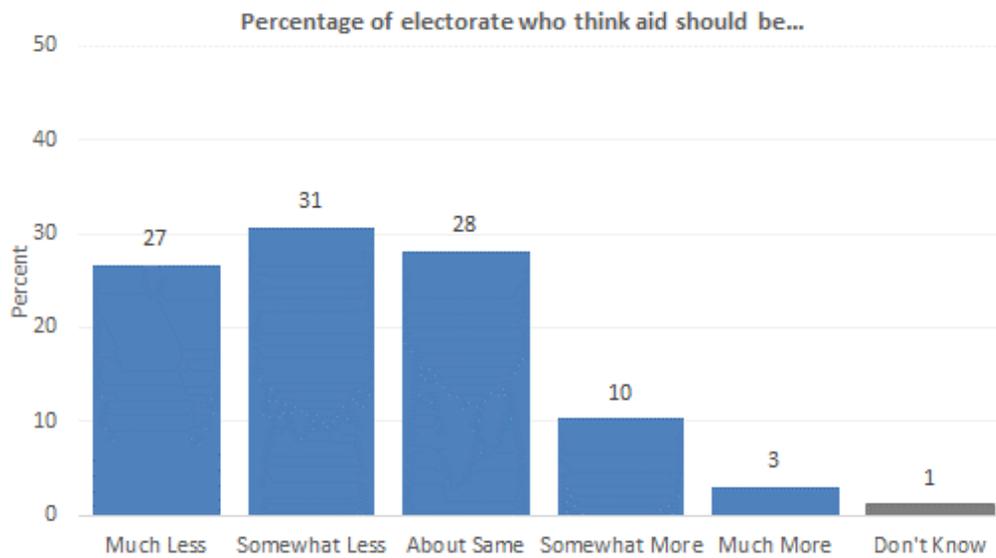
<sup>9</sup> An interesting contrast is to note that Newspoll (2001, p. 6) summarises their survey question on donations to aid NGOs stating that: “Fifty percent (50%) [of survey respondents] claimed to have contributed money or time to an overseas aid agency in the past 12 months. This is up from 47% in 1998 (13).” This is much higher than the proportion of givers in the median electorate in our data (9.3%). The most likely cause of this difference is social desirability bias affecting the Newspoll data.

**Figure 1 – Support for ODA in most and least supportive electorates**

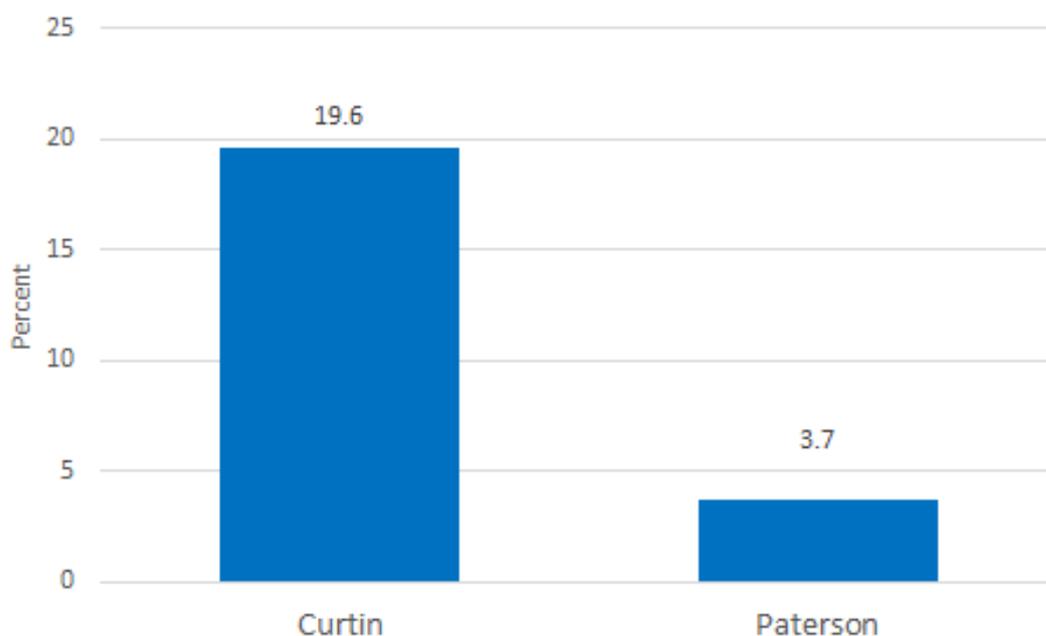
*Electorate of Batman (most supportive)*



*Electorate of Capricornia (least supportive)*



**Figure 2 – Donations to NGOs (%) in most and least generous electorates**



#### 4. Results

Table 2 shows the results of ordinary least squared regressions in which sociodemographic and political traits were regressed against surveyed support for ODA (from Vote Compass data) for ODA. The first model includes only sociodemographic traits, then each of the individual political parties are added in subsequent models.<sup>10</sup>

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<sup>10</sup> Each party has their own model, and we have not combined the parties into a single model, because the individual party results are, in effect, measures of the same latent variable: an electorate's political orientation. Including both the Labor and Green parties (parties which offer different takes on left-wing politics) in the same model produces very similar results to those found in the individual party models. If all three parties are included the coefficients for Labor and the Coalition cease to be statistically significant (owing to the fact these party's vote shares are strongly negatively correlated). These facts are also the case for subsequent regressions on NGO donations.

**Table 2 – Correlates of support for government ODA**

Government ODA	Sociodemographic	Coalition	Labor	Green
Prop 18-35	-0.34 (0.22)	-1.01*** (0.25)	-1.08*** (0.26)	-0.65*** (0.24)
Prop > med income	-1.81*** (0.27)	-1.36*** (0.30)	-1.52*** (0.29)	-1.65*** (0.25)
Religious	-0.46*** (0.16)	-0.35** (0.18)	-0.71*** (0.18)	-0.07 (0.17)
Academic	3.13*** (0.22)	3.22*** (0.22)	3.42*** (0.22)	2.69*** (0.22)
State capital	0.13*** (0.03)	0.10*** (0.03)	0.07** (0.03)	0.14*** (0.03)
Coalition		-0.58*** (0.15)		
Labor			0.73*** (0.13)	
Green				1.26*** (0.29)
Constant	3.22*** (0.15)	3.44*** (0.17)	3.28*** (0.16)	2.92*** (0.15)
Adj. R-Square	0.73	0.75	0.77	0.75
n	150	150	150	150

Robust SEs in parentheses

\* p&lt;0.1, \*\* p&lt;0.05, \*\*\* p&lt;0.01

By and large, these findings fit quite well with those from other survey analysis of support for ODA in Australia. In analysis of two different datasets, in which the unit of analysis was individuals not electorates, Wood (2015, p. 15 & 31) found academic education, urban location, and support for the Labor and Green parties to be positively associated with support for ODA. He also found support for the Coalition to be negatively associated and, in the one dataset that allowed it, religion (in a binary form) to be negatively associated with support for ODA. The two main differences between the findings we present here and those from other Australian work lie in the coefficients for

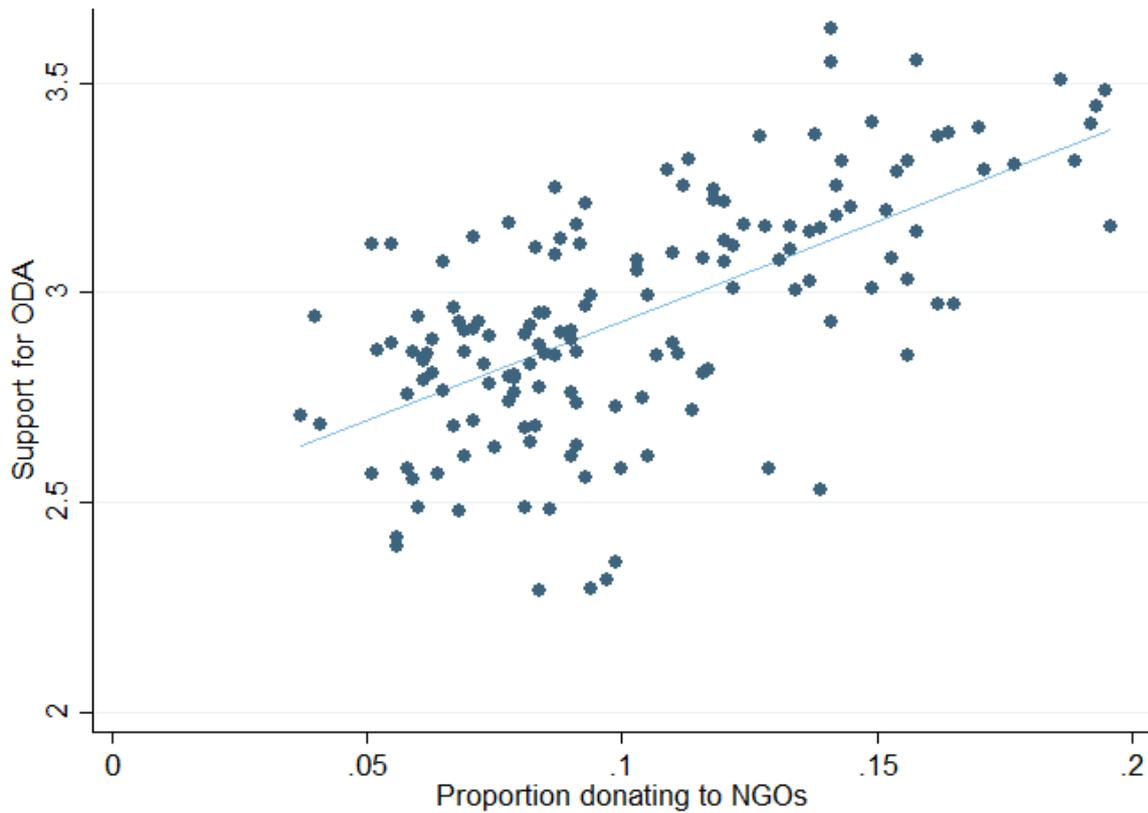
median income and youth. In Wood's 2015 work (p. 15 & 31) income's effect is close to being positive in one dataset and effectively zero in the other. Meanwhile, in both datasets used in Wood's 2015 work younger people are more supportive of age although the magnitude of the effect is not particularly large.

These differences are somewhat puzzling. However, the fact that our findings here correspond reasonably well to other Australian work for most variables is reassuring with respect to the validity of the method used. With respect to the differences that do exist, it is worth noting that in the data used for this current work, the bivariate correlations between income and youth, and support for ODA are positive—the unexpected findings only occur when other controls are added. Possibly the unexpected findings are a product of aspects of wealthier and younger electorates (for example, within-electorate inequality) that are of importance once other variables have been controlled for.

In terms of the substantive significance of the statistically significant variables, when one considers that the dependent variable in these regression models (a weighted average of responses on a 1 – 5 scale) only ranges from 2.29 to 3.63, some of the coefficients are clearly associated with meaningful changes in support. On the basis of academic education's coefficient in the model that includes the Green Party (the model in which its coefficient is lowest) a 10 percentage point increase in the proportion of a population with an academic tertiary education (a one standard deviation increase) would be associated with an increase of 0.3 of the 1 – 5 scale. This is not a complete transformation of attitudes to aid, but it is a meaningful shift with respect to the magnitude of variation across electorates. An increase of support for aid of this magnitude would be sufficient to move Cook, currently the median electorate in terms of support for ODA, into the top quintile of ODA supporters.

Figure 3 shows the relationship between surveyed support for ODA and donations to NGOs.

**Figure 30020- Donations to NGOs and surveyed support for ODA**



As the figure suggests, there is a clear relationship across electorates between donations to NGOs and support for ODA. The r-squared for a regression run on the two variables is 0.4. And yet, while this is a strong relationship, it is far from being perfect. As can be seen in Figure 3, there is quite a lot of variation around the line of best fit on the scatter plot. Table 3 provides regression results for regressions in which the proportion of each electorate's population that donated to an aid NGO donors was used as the dependent variable.

**Table 3 – Correlates of NGO donors**

NGO Donors	Sociodemographic	Coalition	Labor	Green
Age 18-35	-0.12*** (0.04)	-0.07 (0.05)	-0.07* (0.04)	-0.14*** (0.04)
Prop > med income	0.09** (0.04)	0.06 (0.04)	0.08* (0.04)	0.11** (0.04)
Religious	-0.11*** (0.030)	-0.12*** (0.03)	-0.10*** (0.03)	-0.08*** (0.03)
Academic	0.27*** (0.03)	0.26*** (0.03)	0.25*** (0.03)	0.24*** (0.03)
State capital	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Coalition		0.04* (0.02)		
Labor			-0.04** (0.02)	
Green				0.09*** (0.03)
Constant	0.14*** (0.02)	0.13*** (0.02)	0.14*** (0.02)	0.12*** (0.02)
Adj. R-Square	0.73	0.74	0.74	0.74
n	150	150	150	150

Robust SEs in parentheses

\* p<0.1, \*\* p<0.05, \*\*\* p<0.01

Comparing Table 3 with Table 2 highlights a number of similarities. The effect of youth is negative in most of the regressions in both tables. As are the effects of religion. Meanwhile the effects of education and Green party support are positive in both. For other variables, however, the findings are different. While location within a state capital was positively associated with support for ODA there appears to be no relationship

between state capitals and donations to NGOs.<sup>11</sup> Most dramatically, the relationships for the Coalition and the Labor Party have reversed. Whereas Coalition support was negatively associated with support for ODA, it is positively associated with donations to NGOs.<sup>12</sup> And while Labor party support was positively associated with support for ODA it is negatively associated with donations to NGOs. Also, income, which was negatively associated with support for ODA is positively associated with support for NGOs. The negative relationship between religion and NGO donors appears odd given that a number of Australian NGOs are religious. However, there is a likely explanation for this in the findings of other research (Wood 2015) which showed that, when religion was treated as a binary variable, the positive views of frequent religious service attenders about ODA were more than offset by negative sentiments about ODA held by nominally religious people who did not attend religious service regularly. Although census data does not allow us to test this, it seems quite plausible that something similar may be occurring with NGO donations, with religious people who attend service often donating more frequently to NGOs directly associated with their religious groups, but with their actions being outweighed once again by the actions of nominally religious Australians who do not attend service. Another possibility is that religious people donate in other ways (such as the giving of tithes at churches), and as a consequence are less inclined to make their own personal donations. This is a possibility that warrants further study.

In an absolute sense, the substantive magnitude of the effects associated with the coefficients is non-trivial but, at the same time, not particularly large. For example, if we draw on the model which has the Green party included, the coefficient for academic education (the largest coefficient in the model) suggests that a one standard deviation (10 percentage points) increase in the proportion of a population with an academic education will only bring with it a 2.4 percentage point increase in the share of an

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<sup>11</sup> Although in instances when high-leverage outliers were removed, its coefficients became positive and statistically significant, albeit of very small magnitude.

<sup>12</sup> It should be noted that at times, once we removed outliers from the analysis, the coefficient for the Coalition ceased to be statistically significant, although it remained quite close to being statistically significant at the 10 per cent level.

electorate's population that gives to NGOs. However, variation in donors itself only ranges from 3.7 per cent of the population in the least NGO-friendly electorate to 19.6 in the most NGO-friendly electorate. Relative to this, the effects of the independent variables with the largest coefficients is more substantial. A one standard deviation increase in the proportion of the electorate of Isaacs with an academic education would take it from the 50<sup>th</sup> percentile to the 36<sup>th</sup> percentile of electorates in terms of the proportion of its voting aged residents who donate to NGOs.

## **5. Discussion**

One important finding of this research emerges from the simple descriptive statistics provided with this paper: Australia is a far from homogenous nation with regards both to support for ODA and donations to NGOs. Campaigners trying to raise support for ODA are much more likely to find a supportive population in the electorate of Batman than they are in Capricornia. Similarly, an NGO wondering where to focus its fundraising efforts would be much better advised to set up shop in Curtin than in Paterson. Australians have diverse views about aid.

Diverse, but not, it turns out, unpredictable. The Adjusted R-squared values for all of the regressions reported on in this paper have been high: a small number of socio-demographic and political variables predict much of the variation both in support for ODA and in donations to NGOs.

The second finding to emerge from this analysis is that there is a clear relationship between support for ODA and support for NGOs in Australia. Those parts of Australia with the highest surveyed support for ODA tend to be the parts of Australia with the highest density of donors to aid NGOs. What is more, many of the traits associated with support for ODA are also associated with donations to NGOs. The negative relationship that exists (in most of the models) between the proportion of the electorate that is religious and support for ODA can also be found with NGO donors. The same is also true for youth. Likewise, the positive relationship between academic education and support for ODA also clearly exists for NGO donors. On the other hand, whether the electorate is in a state capital or not only seems to be important for support for government aid

alone. And the relationships for income and two of the political parties (Labor and the Coalition) take the opposite sign in the NGO donor regressions from those they take in the ODA regressions. Of these reversals, the finding to do with income is intuitive enough: even if wealthier parts of Australia are more hostile to aid as a whole, they may be home to more NGO donors simply because wealth makes it easier to sacrifice some share of earnings as donations.

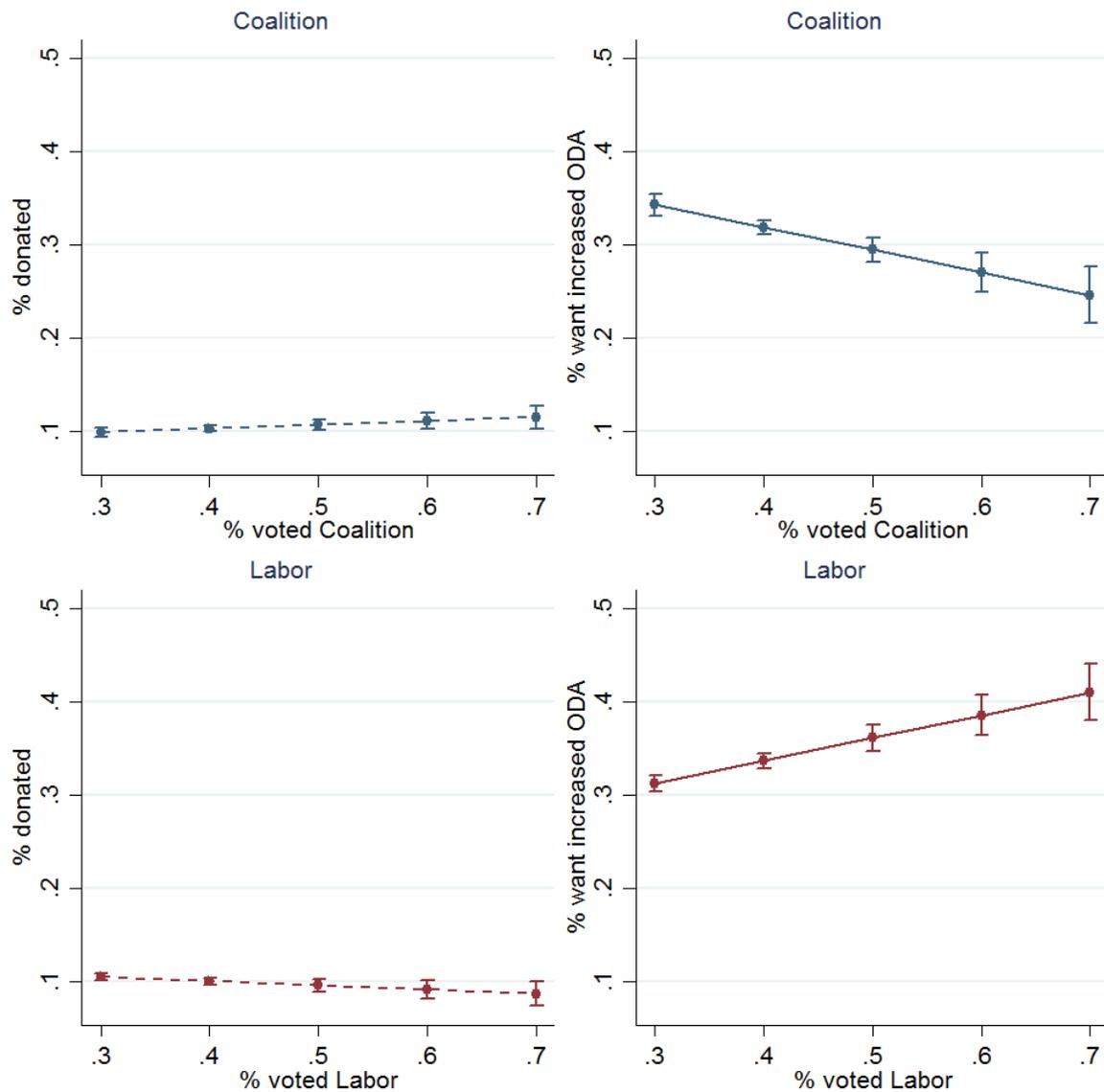
The different findings for Australia's two main political parties, Labor and the Coalition, also fits well with the parties' different ideologies. Given that Labor is a social democratic party with a fairly state-oriented approach to the provision of welfare services, it makes sense that the party's supporters would be more inclined to support aid provided by the state than they would be to make private donations directly to aid NGOs. Similarly, given the that the Coalition espouses the benefits a small state coupled with individual responsibility, an aversion to state ODA offset to some extent by private charity in the forms of donations to NGOs, fits quite well with the Coalition's broader ideals about how poverty should be tackled. The fact that Green party supporters would support greater ODA and also donate more to NGOs also fits well with the party's ties with non-governmental organisations and the party's ongoing public support for support of ODA increases.

When considering the apparent differences between the way Labor Party and Coalition supporters view ODA and NGO donations, one important point to note is that the increased propensity to donate to NGOs found in electorates in which the Coalition is more popular does not offset increased aversion to ODA in similar electorates. On the other hand, increased support for ODA more than offsets decreased donations to NGOs in electorates where Labor is popular. These facts can be seen in Figure 4. Figure 4 charts predicted donations to NGOs and predicted support for ODA based on variation in support for the Coalition and for the Labor party.<sup>13</sup>

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<sup>13</sup> The charts are drawn from two separate regression models in which all of the sociodemographic variables are included alongside the variable for the party in question.

**Figure 4 – Differences in donations and ODA for Labor and the Coalition**



In the case of the predictions of NGO donations, these are drawn directly from the regression results presented above. However, to create the charts we have used a different measure of surveyed support for ODA in place of the average support score presented in the regression results above. Specifically, to produce the charts below, we used the following dependent variable: the proportion of each electorate who favoured 'somewhat more ODA' combined with the proportion of the electorate who favoured 'much more ODA'. This variable has drawbacks in that it amalgamates the categories 'much more' and 'somewhat more', and effectively does the same for the categories 'the

same', 'somewhat less' and 'much less'. However, the regression results it produces are very similar in terms of the signs and statistical significance of the independent variables used, and it has the virtue of producing results that are of the same scale as those used in the NGO data.

While support of different political parties comes associated with different preferences with respect to the way aid is given (via the state or through private donations), as Figure 4 shows, support for the Labor party is still associated with greater support for aid overall (the state and private donations). The main centre left and centre right political parties are associated with different preferences about how aid should be given, but the difference between them in terms of support for aid overall is far greater.

While this paper provides interesting findings on a subject not previously researched, there is still considerable scope for further refining this work. The first improvement we have planned is to take advantage of the 2016 Australian census. Data from the 2016 census will probably be released in 2017. In the current iteration of this study we have used data from the 2011 census. Substituting these data with data from 2016 will mean that all of the data in our study will be from 2015 or 2016 reducing the risk that changes in particular parts of the country have biased our results. The second improvement we have planned is to apply King's method of ecological inference (King 1997) to some of the regressions used above (foremost to the simple correlation between ODA and NGO donations). Doing this would allow us to speak with somewhat more confidence about the relationships present for individuals in addition to those present for electorates.

Some other improvements are much harder than they may appear at first glance. Obviously, constructing a panel and studying changes across electorates over time would reduce the risk that omitted variables are driving our results. However, the Australian Electoral Commission frequently redistricts electorates and the changes are sometimes substantive. Since the 2013 election, 43 per cent of electorates have been redistricted, a fact that effectively renders panel analysis impossible. It would be possible to construct a panel over time in which the unit of analysis was postcodes rather than electorates. However, this could only be done for NGO donation data

combined with sociodemographic data. Surveyed support for ODA and election results are not available at any level smaller than the electorate.

Similarly, obtaining information from NGOs about the sum total of donations (in dollar terms) received within electorates, rather than simply the number of donors, would add an interesting new dimension to the study. However, gathering such data has not proved possible to-date. NGOs are, understandably, reluctant to release such commercially sensitive data. This is not to say that NGOs (and particularly the Australian Council for International Development) have proven hard to work with. Continuing to work with the Australian Council for International Development has already delivered one clear dividend: the numbers we received on NGO donors this year were considerably more accurate than those we worked with as we undertook the earlier iteration of this paper in 2014.

In the study of what donor country publics think about NGOs and ODA, and how they interact with the broader world of aid, survey data are comparatively easy to obtain, and their utility is non-negligible. And yet problems inherent with survey data mean there are certain areas about which we can learn very little because of problems such as social desirability bias. In these areas the challenge is to find alternate data sources that can shed light on what people really do, rather than what they say they have done. Working with NGO donation data is not without its own issues, but in the Australian case it has also brought with it a much clearer understanding of the relationship between private support for NGOs and support for government ODA, as well as the sociodemographic traits associated with both.

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