

Was Banfield Right? Family Ties and Civic Virtues

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Abstract

Are family ties a complement to or a substitute for social capital? I establish a positive relationship between family ties and civic virtues, as captured by disapproval of tax and benefit cheating, corruption, and a range of other dimensions of exploiting others for personal gain. I find that family ties are a complement to social capital, using within and across country evidence from 83 nations spanning a quarter of a century, as well as data on second generation immigrants. The results suggest that the 'amoral familism' in strong families does not generalize. On the contrary, strong families produce more civic individuals.

JEL codes: A13, H26, D73, P16, Z13

1 Introduction

Do strong family ties ruin social capital? Banfield (1958) proposes that strong family ties may induce an “amoral familism,” defined as a social equilibrium in which people exclusively care about their immediate family, exploit those outside the family, and expect everybody else to behave in that way. An alternative hypothesis is that strong family ties form tight knit networks that may make it harder to break the norm of the group, as family members may influence individuals to conform to the norm. If the family norm is to support behavior that builds social capital, then family ties could support high levels of social capital (see for example Weber, 1946; Fukuyama, 1995; Ostrom, 2000).

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The essence of the 'amoral familism' is that principles of morality only applies to the own family. Individuals outside the family, as well as organizations, are fair game to be exploited to forward the position of the family.¹ As Putnam (1993) puts it, "The absence of civic virtue is exemplified in the 'amoral familism' that Edward Banfield reported as the dominant ethos in Montegrano."² Is this lack of civiness related to the importance and structure of the family?

It is useful to distinguish between two features of the ethos of 'amoral familism'.³ The first part captures what Banfield labels offensive measures, that is, you should advance the position of your family relative to others. Offensive measures include exploiting others for your own benefit when possible, and reflect an ethos of low trustworthiness. The second part of the ethos implies defensive measures, that is, you should beware of others trying to exploit you. One of the defensive measures mentioned is to be "suspicious," that is, less trusting.

I find that family ties are strongly associated with attitudes that are important for building societies with higher mutual respect and fiscal capacity. Individuals with strong family ties are more disapproving of tax and benefit cheating, black market activities, corruption, and lying in your own interest. Individuals with strong family ties also think it is more important that children learn tolerance and respect toward others, as well as good manners. These dimensions may capture different facets of trustworthiness. The findings support the hypothesis that strong family ties help build a strong civil society, where individuals don't exploit other community members for private benefits. Although some uncivic activities might build on strong family ties as observed by Banfield (1958) the results show that the detrimental effect of family ties does not generalize in the population. In fact, for the average person stronger family ties are associated with higher social capital.

The findings contrast the results in Alesina and Giuliano (2011) who find

¹The approach is closely related to the limited morality discussed by Tabellini (2010).

²See page 88 in Putnam (1993). Montegrano is the village in southern Italy Banfield (1958) studies.

³The ethos of an 'amoral familist' is to "Maximize the material, short-run advantage of the nuclear family; assume that all others will do likewise" as stated by Banfield (1958) on page 85.

that those with stronger family ties are less trusting, which supports one defensive measure of 'amoral familism.' They also find that strong family ties are associated with less political participation, indicating that family ties are a substitute for social capital.⁴ Although individuals with strong family ties are less likely to engage in these political activities they do not display lower levels of what I label 'civic virtues.' Civic virtue is the cultivation of habits of personal living that are claimed to be important for the success of the community. One such virtue is to not take advantage of other members of society, or impose on them, for personal gain. These virtues may facilitate cooperation among members of a community, and may hence be part of the "good" culture that constitutes social capital as discussed by Guiso, Sapienza, and Zingales (2008). Such virtues are measured in several dimensions by the World Values Survey, which I use to empirically evaluate the role of family ties using both across and within country variation.

To establish a direction of causality I study second generation immigrants in 29 countries who have parents born in 85 different countries. I find that second generation immigrants' civic virtues are affected positively by their parent's background, where I use measures of family ties based on attitudes and behavior. Furthermore, the results provide micro evidence on the intergenerational transmission of civicness that is at the core of Aghion, Algan, Cahuc, and Shleifer's (2010) model of regulation.⁵

The analysis contributes to the understanding of what builds state capacity, as analyzed by Besley and Persson (2011). Disapproval of tax and benefit cheating, as well as disapproval of corruption, are essential parts of building an efficient state. Furthermore, civic virtues may influence the civil society through cooperation in the labor market as well as regulation in the labor market as studied in Aghion, Algan, and Cahuc (2011) and Alesina, Algan, Cahuc, and Giuliano (2010).⁶

⁴They find that individuals with stronger family ties are less likely to discuss politics, join demonstrations and strikes, and engage in work for political parties.

⁵Algan and Cahuc (2009) also provide a cross country analysis of civicness and labor market institutions.

⁶Durante (2010) examines historical determinants of family ties based on the argument

The results have implications that go beyond state capacity to resolve puzzles in public finance related to the low levels of observed tax evasion despite low detection probabilities. Even among the self-employed, who self report their income and have the largest scope for evading taxes, evasion is low. Six out of seven tax payers with self-employment income do not evade taxes in Denmark, as found in the randomized experiment studied by Kleven, Knudsen, Kreiner, Pedersen, and Saez (2011).⁷ Can family ties help to explain this phenomenon? I find that individuals with stronger family ties are more opposed to tax evasion, and as many businesses are run by families,⁸ it may be part of the explanation of the limited evasion rates among the self-employed.

The paper is organized as follows. The next section presents the data on the measures of family ties and civic virtues, as well as the empirical specification. The following section presents the results on civic virtues and family ties. The analysis of the second generations immigrants is presented in section 4. The last section concludes.

2 Data and Specification

I use two different data sets in the analysis. In the first two parts I use the integrated European and World Values Surveys (EVS/WVS). For the variables I focus on the survey covers 83 countries for up to five waves. The first wave was conducted in 1981-1984 and the last wave was in 2005-2008. The data includes information on a wide range of attitudes as well as standard demographic variables. In the final part of the analysis, where I study second generation immigrants, I use the European Social Survey (ESS).

that family ties are a substitute for social capital.

⁷Many factors may of course influence cross-country differences in tax evasion, but I find the positive relationship between disapproval of tax cheating and family ties using both across and within country variation.

⁸See for example Bertrand and Schoar (2006) for a discussion of the significance of family businesses.

2.1 Family Ties

The main variable of interest is family ties and how it is related to a range of attitudes. I use three different measures of family ties. The first measure is based on one question from the EVS/WVS. The question assesses how important family is in the person's life. Answers are recorded in four categories and range from very important to not at all important. I code the variable such that a higher value captures stronger family ties. The variable is closely related to the idea of family ties in Banfield (1958).

The second measure is based on the question above, the importance of family, and two other questions from the EVS/WVS. The second question asks the respondent to agree with one of the two statements: 1) Regardless of what the qualities and faults of one's parents are, one must always love and respect them, 2) One does not have the duty to respect and love parents who have not earned it. I code alternative 1) as expressing stronger family ties. The third question prompts respondents to agree with one of the following statements: 1) It is the parents' duty to do their best for their children even at the expense of their own well-being; 2) Parents have a life of their own and should not be asked to sacrifice their own well-being for the sake of their children. Again, I code alternative 1) as expressing stronger family ties.

As the second measure of family ties I summarize these three expressions of family ties by extracting their first principal component. This is the same measure of family ties that Alesina and Giuliano (2010, 2011) use.⁹ Results are very similar if I instead use the (normalized) average of the three variables.

The third measure of family ties is based on physical proximity. I consider the family ties to be strong if the individual lives with his or her parents. The ties are not strong if the person does not live with the parents. The variable captures directly Banfield's (1958) description of families as parents and children living in the same house.

The averages of the three measures of family ties are positively correlated.

⁹Also see Alesina and Giuliano (2010) for the construction of the family ties variable.

However, the correlations are far from perfect.¹⁰ It indicates that the measures based on attitudes and behavior capture different facets of family ties. Table A1 presents the summary statistics for the EVS/WVS data.

2.2 Civic Virtues

I define civic virtues as disapproval of exploiting others for personal gain. These virtues are a component of Putnam's (1995) definition of social capital, which includes "norms [...] that enable participants to act together more effectively to pursue shared objectives." Norms against taking advantage of others for personal benefit would also be part of the more narrow civic capital, defined as "those persistent and shared beliefs and values that help a group overcome the free rider problem in the pursuit of socially valuable activities" by Guiso, Sapienza, and Zingales (2010).

I focus on a set of variables that capture several dimensions of civic virtues. The common denominator among these virtues is a trade-off between personal gains at the expense of members of society. I consider it a civic virtue when individuals don't think it is right to exploit strangers for private benefits. It may be akin to the 'golden rule,' which states one should treat others as one would like others to treat oneself.

To capture specific dimensions of civic virtues I turn to a set of questions that assess how justifiable a range of activities are in the eyes of the respondent. The respondent is to say "for each of the following statements whether you think it can always be justified, never be justified, or something in between". The statements are "Cheating on taxes if you have a chance"; "Claiming government benefits to which you are not entitled"; "Avoiding a fare on public transport"; "Paying cash for services to avoid taxes"; "Someone accepting a bribe in the course of their duties"; "Lying in your own interest"; "Throwing away litter in a public place"; "Driving under the influence of alcohol"; "Speeding over the limit

¹⁰The correlation between the importance of family and the principal component of family ties is quite high at 0.78. The fraction who live with their parents has a much lower correlation with the principle component of family ties, at 0.58.

in built-up areas"; "Smoking in public buildings"; "Failing to report damage you've done accidentally to a parked vehicle"; "Buy stolen goods." Answers to each statement are coded from 1, never justified, to 10, always justified.

The least justifiable behavior is driving under the influence, with an average of 1.5, and the most accepted behavior is smoking in a public building, with an average of 3.4. The majority of the observations are at the lower end of the range. The mode is 1, never justifiable, across all categories and in a majority of the categories the median is 1. This indicates that the norm is that none of these behaviors are justifiable, which makes it relevant to evaluate if stronger families may be a complement to social capital.

There could be a concern that individuals report a higher disapproval in order to "look good" to the interviewer, and such behavior could differ across countries. Since the main results are based on within country variation they are not affected by such behavior. Yet, there is evidence that individuals report truthfully in surveys even if there are incentives to lie as analyzed by Abeler, Becker, Falk, and Seidmann (2011), so the concern may be exaggerated.¹¹ Furthermore, I use several measures of civicness, presented below, that might be much less susceptible to the concern to "look good."

I also consider qualities children can be encouraged to learn at home. The two dimensions I study focus on how we get along with people in society. The two qualities which the respondent may consider especially important are "Good manners" and "Tolerance and respect for other people."

Banfield (1958) noted a profound melancholy among the individuals in the town he studied. People were resigned over the impact they could produce through their efforts, both in terms of their personal and political life.¹² Such a lack of control, that outcomes are determined by external forces, may make it

¹¹They ask respondents to flip a coin four times in private, and respondents are paid £15 for each head reported to the interviewer (tail pays nothing). The reported distribution matches that of a large sample of independent coin flips, indicating that individuals report truthfully.

¹²For example, the peasants doubted that tending the fields meticulously would produce any benefit since a hailstorm might destroy the crops anyway. In the political realm, "like other things, good government is obtained by luck, not achieved by effort, enterprise, and sacrifice" as Banfield (1958) writes on page 142.

harder to pursue socially valuable activities. I study one question that captures the degree of control the respondent thinks he has over his life. The question reads "Some people feel they have completely free choice and control over their lives, while other people feel that what they do has no real effect on what happens to them. Please use this scale where 1 means "none at all" and 10 means "a great deal" to indicate how much freedom of choice and control you feel you have over the way your life turns out."

I also construct a summary variable of civic virtues based on five of the above variables, from which I extract the first principal component. The components are chosen because they measure important aspects of civic virtues and that they are measured in many countries and waves. The five variables are "Cheating on taxes if you have a chance"; "Claiming government benefits to which you are not entitled"; "Avoiding a fare on public transport"; "Someone accepting a bribe in the course of their duties"; and the child quality "Tolerance and respect for other people."¹³ The variables are ordered such that a higher value of the principle component corresponds to stronger civic virtues in the sense that a higher value represents a stronger disapproval of cheating and more importance on respect for other people.

2.3 Empirical Specification

I run a series of ordinary least squares (OLS) regressions of the following form:¹⁴

$$Y_{ijt} = \beta_0 + \beta_1 \text{Family_ties}_{ijt} + \beta_2 X_{ijt} + \gamma_j \delta_t + \varepsilon_{ijt}$$

where the dependent variable captures the realization of a particular variable for individual i in country j at time t , where time is given by the survey wave. Family_ties_{ijt} is the variable of main interest, which is increasing in the strength of family ties. The controls are included in X_{ijt} . I also include a full set of country-wave fixed effects, represented by $\gamma_j \delta_t$, which accounts for aggregate levels and time trends for each country. Hence, the variation I use to

¹³The results are robust to alternative ways of summarizing civic virtues.

¹⁴The results are robust to using an ordered logit or an ordered probit estimator.

identify β_1 is only due to differences in family ties within countries while also accounting for non-linear time trends within countries.¹⁵

3 Family Ties and Civic Virtues

Stronger family ties are associated with stronger civic virtues across all measures. It suggests that family ties are a complement to these virtues, which are part of what is labeled social capital. As an illustration, cross country evidence on the relationship between family ties, measured by the importance of family, and disapproval of tax cheating is presented in Figure 1.¹⁶ The family ties measure line up with Northern European countries having weaker ties and more conservative and developing countries displaying stronger family ties. As Banfield (1958) based his theory on observations within Italy it is relevant to examine how the measure lines up with Banfield's notion of family ties. Family ties are the strongest in the southern regions of Calabria and Basilicata.¹⁷ The weakest family ties are found in the northern regions of Friuli-Venezia Giulia and Trentino-Alto Adige. The measure of family ties hence show the pattern Banfield had in mind both within Italy and across countries.

I find that in countries with stronger family ties there are stronger civic virtues as the disapproval of tax cheating is stronger.¹⁸ This relationship remains when I study the within country evidence across a broad set of attitudes toward exploiting others for personal gain in the analysis below. The relationship also holds within Italy.

All regressions include a set of demographic controls, as the attitudes I examine may vary with individual characteristics. I control for age and its square, gender, marital status, education, employment status, income,¹⁹ and religion.

¹⁵As discussed by Alesina and Giuliano (2011), the estimated coefficient shouldn't necessarily be interpreted as causal.

¹⁶The same pattern is found if I use the alternative measures of family ties: the first principle component of the three WVS questions discussed above, or the fraction of individuals who live with their parents.

¹⁷The town Banfield (1958) studied is located in the region of Basilicata.

¹⁸The regression line remains significantly negative also if we remove the Baltic countries (EE, LT, and LV). The relationship also holds across OECD countries.

¹⁹All regressions include a full set of dummies for 10 income groups. The estimated coeffi-

Table 1 and 2 present the findings where family ties are measured by the importance put on family.

The estimated coefficient on family ties is negative and strongly significant across the specifications in Table 1. Beginning with the first column, stronger family ties are associated with less justification of tax cheating. Hence, tax cheating, which may give private benefits at the expense of the anonymous tax payer, is tolerated less among those with strong family ties.²⁰ The same goes for benefit cheating as seen in the second specification. The estimated coefficients are quantitatively significant. Consider the tax cheating estimates in the first column. A one standard deviation increase in the strength of family ties corresponds to one and a half times the difference between having a college degree versus less than a high school degree.

Paying with cash to avoid taxes, a form of tax cheating, is seen as less justified among those with stronger ties. Furthermore, not paying for public transit is looked upon less keenly by those with tighter families. Getting private benefits at the tax payers' expense is less tolerated among those with stronger family ties.

One prediction of Banfield (1958) discussed by Alesina and Giuliano (2011) is that strong family ties leads to an equilibrium with widespread corruption. I find the opposite result. Individuals with stronger family ties are more opposed to someone taking a bribe than those with weaker ties, as seen in column 5. It does not seem like strong family ties support an equilibrium with a high level of corruption in this dimension.

Telling the truth is another civic virtue that is cherished more among those with stronger family ties. Stronger family ties are associated with a lower acceptance of lying in your own interest. This attitude may make it harder to sustain an equilibrium with corrupt politicians.

Among the control variables I may note that the self-employed are more

cients are not reported.

²⁰The results stands in stark contrast to the 'amoral familist' Banfield (1958) describes, as on page 92 "[i]t is taken for granted that all those who can cheat on taxes will do so."

accepting of tax cheating but less so regarding benefit cheating.²¹ Part-time employees are more accepting of benefit cheating and riding public transit without paying the fare. Older individuals, women, Protestants, those married and with higher education are associated with less accepting attitudes across the different dimensions in Table 1.

I present further evidence on how stronger family ties are associated with stronger civic virtues in Table 2. I find that also in these dimensions, which may be more mundane or more personal, manifestations of mutual respect are stronger for those with stronger family ties. Littering in a public place, which may be convenient for the individual but a nuisance to those using the public place, is less tolerated by people with strong family ties. Both driving under the influence and speeding in urban areas, which may give private benefits to the driver but put others at higher risk, are less acceptable to individuals with strong family ties, as seen in the second and third columns. Failure to report damage one has done by accident to a parked vehicle is less tolerated among those with strong ties. Disapproval of smoking in public buildings is stronger among those with tighter family ties, as is the disapproval of buying stolen goods.

The following two columns of Table 2 analyze the relationship between family ties and two qualities that are singled out as especially important for children to learn at home. The first is good manners. Manners are rules of conduct that may make it easier for people to get along in society. Living by these manners may come at a private cost, holding the door open for someone takes time that could be spent differently, and the good manners provide benefits to others in society, for example the person you hold the door for. Individuals with stronger family ties think that it is more important that children learn good manners. Also in this dimension I find that stronger family ties are associated with stronger civic virtues.

I find the same result for the second child quality, tolerance and respect for

²¹This lines up well with Kleven et al's (2011) finding that self-employed indeed cheat more on taxes compared to employed earners.

other people, which may be one of the fundamental civic virtues. The stronger the family ties, the more important individuals think it is that children learn tolerance and respect for other people. This also points to a mechanism for the transmission of civic virtues, individuals with strong family ties stress the importance of teaching children tolerance and respect for others. This inter-generational transmission mechanism may explain the presence of these civic attitudes within families with strong ties.

The last column examines the extent to which individuals think they can control their own lives. Banfield (1958) noted the people in Southern Italy expressed a lack of control to change their lives. I find that individuals with stronger family ties express a higher freedom of choice and control over their lives.

As Banfield (1958) studied family ties in Italy it may be relevant to examine if Italy is different. I find that Italy is not different. Running the same regressions as presented in Tables 1 and 2 with Italy alone produce the same results. The point estimates have the same signs as in the full sample and, even though the sample is much smaller, in most cases the estimates are strongly significant.

The results thus far were based on the question on how important family is. Next, I use the principal component of three questions that capture family ties as defined above. This measure is naturally highly correlated with the importance of family since the question is one component, but the correlation of 0.78 shows that the measure captures different facets of family ties. The estimates of the variable of main interest, family ties, are presented in Table 3. The results are very similar to Tables 1 and 2. Stronger family ties are associated with stronger civic virtues both with respect to disapproval of exploiting others, the child qualities, and the sense of control over one's life. As with the previous measure the results in Table 3 also hold within Italy, although a few of the estimates lose their significance in the much smaller sample.

The third measure of family ties, whether the individual lives with his or her parents, is very different since it is based on behavior. The physical proximity to your parents would signal strong family ties. The results in Table 4 are similar

to the previous tables, although not as strong. A majority of the estimates are significant, and all the significant estimates have the expected sign.²²

There is also some evidence of a complementarity across the different measures of family ties. I find those who express strong family ties and live with their parents in several cases are even more opposed to exploiting others for personal gain, compared to those who express as strong family ties but do not live with their parents. This compounding effect is also significant for the importance of children to learn tolerance and respect.

I find that in the dimension of civic virtues, habits of personal living that are claimed to be important for the success of the community, family ties are a complement to social capital. The estimates that stronger family ties are associated with stronger civicness, even interpreted as correlations, would challenge the generalizability to the general population of Banfield's (1958) idea of an 'amoral familism' in strong families. The findings also stand in contrast to Alesina and Giuliano (2011). They find that family ties are associated with less political participation, like joining in political activities, and conclude that family ties are a substitute for social capital.

What can reconcile these different results? It could be that individuals with strong family ties have a tighter time constraint due to more family obligations, and that these individuals have a higher cost of being engaged in civic activities. It's, however, not possible to evaluate this hypothesis with the available data.²³

The measures of civic virtues are based on survey responses. Do the attitudes relate to how common these behaviors are? I examine corruption as there are several measures of corruption across countries. I regress the measure of disapproval of bribes on three different measures of corruption and in all cases I find that countries with stronger disapproval of bribes also display significantly less corruption. The first measure is the corruption perception index from Trans-

²²For the attitudes toward the degree of control over one's life there is a built in simultaneity problem, since living with your parents may impose restrictions on your freedom of choice.

²³The WVS has questions on how much time one spends with family and other groups that would seem to help in this respect. However, the questions aren't asked in sufficiently many waves and countries to allow a meaningful analysis.

parency International. The second measure is the quality of government, where corruption is a large component, in the International Country Risk Guide from the PRS group. The third measure is the control of corruption estimate from the World Bank Governance Indicators.²⁴ The evidence suggests that the attitudes I study also reflect behavior.

4 Evidence from Second Generation Immigrants

To establish a causal relationship, that family ties affect civic virtues and that civic virtues affect political action, I study second generation immigrants. Fernandez (2010) describes how this approach can be used to study the causal impact of beliefs on outcomes.²⁵ Most studies have used data from the U.S., but I contribute to an emerging literature studying immigrants in a wide range of European countries.²⁶ I use data from the first four rounds of the ESS.^[27] I find that the results from the EVS/WVS above also hold in the analysis of second generation immigrants. By looking at many countries of residence for second generation immigrants, I consider 29 countries, I reduce the concern that the results are driven by conditions of one particular country. I also consider individuals with ancestry from a wide range of countries, up to 85 countries across the world, that reduce the concern that the results are particular to small number of ancestral backgrounds. The findings provide direct evidence of a causal effect of family ties on civic virtues, and on the cultural transmission of civic virtues within families.

4.1 Data

I use four waves of the ESS, which is conducted biannually, with the most recent wave completed in 2008. The ESS is conducted on representative samples in

²⁴I use the data compiled by Sammanni et al (2010).

²⁵Fernandez (2010) handbook chapter also provide an extensive survey of the empirical evidence.

²⁶Papers in this strand include Alesina and Giuliano (2011) and Luttmer and Singhal (2011).

²⁷Alesina and Giuliano (2011) and Luttmer and Singhal (2011) also use the ESS, although the first three rounds, to study related questions.

European countries.²⁸ The questions in the survey covers a range of aspects including labor market attachment, attitudes toward society, as well as standard demographic characteristics. One essential feature of the data is that the survey asks about the country of birth of the respondent as well as the country of birth of both parents.²⁹ This information allow me to identify second generation immigrants and which countries their parents originate from.

I define a second generation immigrant as a respondent who is born in the country of residence but whose mother or father is born in a different country. I consider both the case where the father is born in a different country and the case where the mother is born abroad, separately. The cumulative ESS file covers 29 countries where second generation immigrants are residing. I am able to match second generations immigrants to civic virtues in 83 parental birth countries and family ties in up to 85 parental birth countries.

I compute the measure of family ties in the parent's birth country as the country average of the variable in the WVS data, either as the fraction who live with their parents or the first principal component of the three questions as discussed above, in keeping with Alesina and Giuliano (2011). For civic virtues I use the first principal component from the WVS questions as discussed above. Before computing the country average of the principal component I partial out the demographic and economic individual controls, as well as wave fixed effects.³⁰ This approach produces a country average of civic virtues that is independent of the demographic and economic structure of the country, as captured by the controls.³¹ The summary statistics on the second generation immigrants on the father's and mother's side, respectively, are presented in Table A2. There are no significant differences in the characteristics of those with immigrant fathers and mothers, and they are not significantly different

²⁸Extensive documentation of the data is found at <http://ess.nsd.uib.no>.

²⁹This information is available from the second wave of the ESS, hence I am not using the first wave in the analysis.

³⁰I use the same controls as in the analysis of the WVS data except the country fixed effects and family ties.

³¹This approach of computing the country average produces a measure that more accurately captures differences in civic virtues across countries, although it is not essential for our analysis.

from the rest of the population either. The participating countries in each round of the ESS are presented in Table A3.

4.2 Dependent Variables

4.2.1 Civic Virtues

The ESS is relatively limited in the questions regarding civic virtues in comparison to the WVS. I have identified two questions that capture some facets of the civic virtues, habits of personal living that may be important for the success of the community, I examine in the WVS. The first question asks how important it is to help other people and care for their well-being. This would capture an active part of civic virtues, that you should help and care for others. It is hence one degree stronger than civic virtues in WVS that focused on not harming or exploiting others. The second question relates to the importance of behaving properly. Based on the analysis of acceptable behavior using the WVS and the population means I would argue that at least part of behaving properly reflects not exploiting others for personal gain.

Preceding the question is the statement "Now I will briefly describe some people. Please listen to each description and tell me how much each person is or is not like you. Use this card for your answer." The first question is then "It's very important to her/him to help the people around her/him. She/he wants to care for their well-being." There are 6 possible answers on the card; "Very much like me"; "Like me"; "Somewhat like me"; "A little like me"; "Not like me"; "Not like me at all". I code "Very much like me" as 6 and each following answer with a lower digit down to coding "Not like me at all" as 1.³²

The second question is worded as "It is important to her/him always to behave properly. She/he wants to avoid doing anything people would say is wrong." The possible answers and their coding is the same as for the first question.

I also study two dimensions of uncivic action. These questions are included

³²The original coding in the ESS is the reverse.

in one rotating module, which is only included in the second round of the ESS. Hence, the sample is much smaller. The questions are preceded by the following statement "How often, if ever, have you done each of these things in the last five years? Use this card for your answers. How often, if ever, have you. . ." The two questions are "made an exaggerated or false insurance claim?" and "paid cash with no receipt so as to avoid paying VAT or other taxes?" I code the variables as 1 if the person has done the action at least once, and 0 otherwise.

4.2.2 Control Variables

I include a similar set of demographic and economic controls as in the previous analysis. I control for age and its square, gender, being married or never married (divorced and widowed are the excluded categories), if there is child in the home, as well as three religious denominations (Catholic, Protestant, and Orthodox). For education I include indicators for completed upper secondary school as well as a completed college or university degree (tertiary degree), with lower secondary and less being the excluded category. In terms of labor force attachment I include indicators for out of the labor force and unemployed looking for work. With respect to income I include indicators for low income (first to third income decile in the country) and middle income (fourth to seventh income decile in the country).

4.3 Empirical Specification

I run a number of OLS regression of the following form:³³

$$Y_{ica} = \beta_0 + \beta_1 \text{Parental_trait}_a + \beta_2 X_i + \gamma_c + \varepsilon_{ica}$$

Y_{ica} captures the outcome of individual i , born and residing in country c with a parent born in country a , and $a \neq c$. The parental trait, which is either the average family ties or civic virtues in the parent's birth country, is common to all individuals with a parent born in country a . X_i captures individual

³³The results are robust to using the logit or the probit estimator.

demographic and economic controls that may affect the outcome. The country of residence fixed effect γ_c captures all the unobserved factors that may affect the outcome differentially across countries, and ε_{ica} is the error term.

The advantage of this empirical model, over the cross-sectional analysis above, is that the parental trait is exogenous to the individual outcome. A significant estimate of β_1 would hence indicate an impact of the trait in the country of ancestry on the individual outcome and not the other way around. Reverse causality is not a concern since the outcomes for a child residing in country c can't affect the average value of the trait in the parent's birth country a . I am of course concerned about confounding factors so it is important to include an extensive list of individual controls in X_i , which I do. The inclusion of the country fixed effect γ_c means that I account for the institutional structure and all other unobserved factors which apply to all residents in country c . It also means that the variation I use is to compare the outcomes of second generation immigrants relative to the traits in their countries of ancestry within each country.³⁴

The standard errors are clustered by the parent's birth country to allow all individuals with the same ancestry to face an influence that may share a common component. It is hence important to have many countries of ancestry in the data in order to be able to test hypothesis. I have family ties measures from 73 to 85 countries, and I observe civic virtues in 83 countries (all from the EVS/WVS). Such number of countries is sufficient for obtaining consistently estimated standard errors.³⁵

Moreover, the empirical approach produces a conservative estimate of β_1 . The underlying model would be that the parent's individual trait would affect the child's outcome, but I use the average of the trait in the parent's birth country as an exogenous shifter.³⁶ Since there is substantial variation of parents' individual traits in a population the average level of the trait in the parent's

³⁴For example, I am comparing if individuals with French ancestry residing in Germany have systematically higher outcomes compared to those with Italian ancestry residing in Germany.

³⁵As a comparison, Luttmer and Singhal (2011) study immigrants from 32 countries.

³⁶The parent's individual value is not observed. I am hence estimating the 'reduced form.'

birth country, the variable *Parental_trait_a* in the analysis, is not perfectly related to the parent's individual trait. This produces an attenuation bias in the method, biasing the estimate of β_1 toward zero. The estimate of β_1 is hence conservative, and finding a significant effect in spite of this bias would be strong evidence that the effect is present.

4.4 Results

The first results show the effect of family ties on civic virtues. The family ties are measured in the parent's birth country and captures the cultural transmission of this trait on the outcomes of the second generation immigrants, who have been born into a different country with a separate institutional and cultural environment. The measure of family ties in the parent's birth country hence captures the impact of this cultural trait on the respondent. All the following regressions condition on the respondent being born in the country of the interview and that the father/mother is born in a different country.

In the first specification of Table 5 I examine the effect of family ties in the mother's birth country on the respondent's expressed importance of helping others, the first measure of civic virtues in the ESS. In Table 5 I measure family ties by the fraction of individuals who live with their parents. A higher fraction measures stronger family ties.³⁷ The estimated coefficient is positive and strongly significant. It means that respondents with a mother from a strong family ties country think it is more important to help others. This is similar to the findings in the WVS that stronger family ties have a positive relationship with stronger civic virtues. However, by using the sample of second generation immigrants I can establish this as a causal relationship, as the family ties in the parent's country of birth is exogenous to the respondents outcome. In the second specification I consider the other measure of civic virtues, the importance of behaving properly. The point estimate is positive as expected and highly significant.

³⁷See Giuliano (2007) for a detailed analysis on family ties and living arrangements.

In the third and fourth specifications I regress the same measures of civic virtues on family ties, again measured as the fraction living with their parents, in the father's country of birth. For both measures the point estimates are positive and strongly significant. The results are also robust to controlling for trust.³⁸ There is hence evidence of a causal impact of family ties from both parents.^{39, 40}

Next, I examine the same questions with a different measure of family ties. Instead of the fraction living with parents I use the average value of the principal component of the three family question, which I used in Table 3 above. The first two columns of Table 6 present the results for those with an immigrant mother. The estimates are positive and strongly significant both for the importance of helping others and to behave properly as in the previous table. For those with a father who immigrated the point estimate in the case of helping others is positive as before but not statistically significant. The effect of family ties on the importance of behaving properly remains positive and strongly significant.⁴¹

Do the stronger family ties also affect civic behavior? I present evidence on two dimensions of uncivic behavior. Individuals with ancestry in countries with stronger family ties are less likely to report exaggerated or false insurance claims in the past 5 years, as seen in the first column of Table 7. The estimated coefficient is strongly significant. Individuals are also less likely to have paid cash to avoid taxes, as the point estimate in column 2 is negative. The estimate is, however, not significant. The lack of significance may be due to that the question was only asked in one round of the survey, so the sample is much smaller. When turning to the sample with immigrant fathers, the point estimate indicates that stronger family ties lead to less false or exaggerated insurance claims, although the estimate is not significant, as seen in column 3. The estimate on paying cash

³⁸Alesina and Giulano (2011) examine how family ties affect trust.

³⁹The results don't rule out a causal relationship from civic virtues to family ties. It is, however, not possible to estimate such a relationship since the ESS does not measure the strength of family ties.

⁴⁰I don't find a compounding effect of family ties on the child's civicness if both parents are born in the same country. The lack of significance could be due to the nature of the 'production function' of civicness or due to the smaller sample size.

⁴¹Also the results in Table 6 are robust to controlling for trust.

to avoid taxes is negative and strongly significant in the last column of Table 7.

Tables 5 and 6 provide evidence on a constructive role for families. Individuals with parents from countries with stronger family ties transmit a more civic attitude to their children. It implies that parents from countries with stronger family ties socialize their children to be more civic. Table 7 provides evidence on that family ties also promote more civic behavior.

I found a positive relationship between family ties and the importance of the child qualities good manners as well as tolerance and respect for other people in Table 2, which indicated a vertical cultural transmission channel for civic virtues.⁴² I examine the impact of the civic virtues in the parent's birth country on the respondents civic virtues in Table 8. In the first two specifications I regress the importance of helping others and behaving properly, respectively, on civic virtues in the mother's birth country. The estimate in the case of helping others is positive as expected but not significant at usual levels ($p=0.14$). For the importance of behaving properly the estimate is both positive and significant. The estimated effects are stronger on the father's side. Both estimate coefficients are positive and significant. This is evidence of a causal effect of civic virtues of the parent on the respondents civic virtues, or phrased differently, direct evidence of the vertical cultural transmission channel. Taken together, there is strong evidence that the civic virtues in the parent's birth country are transmitted to the respondent's civic virtues. It provides additional evidence on a constructive role for families in socializing children to be more civic.

5 Conclusion

Are family ties a complement to or a substitute for social capital? The first main result is that family ties are a complement to social capital, in the domain of civic virtues. I find that individuals in strong family networks are substantially more disapproving of tax and benefit cheating, corruption, and a range of other activities which involve a personal benefit at the expense of other individuals.

⁴²Bisin and Verdier (2001) provides a model of vertical cultural transmission.

The results question that 'amoral familism' is driven by strong families. I have primarily focused on the attitudes towards using the offensive means of advancing the position of the family, by exploiting others. In the use of "defensive weapons" Banfield (1958) mentions "stubbornness, suspicion, secrecy, and lying."⁴³ There is evidence that stronger family ties lead to more suspicion, see Alesina and Giuliano (2011) and Ermisch and Gambetta (2010), but the evidence presented here show that stronger family ties are associated with less lying. The evidence on the defensive measures is hence mixed, but the evidence of the offensive measures is uniformly inconsistent with an 'amoral familism' in strong families.⁴⁴ Although there is evidence of amoral familism in some facets, like suspicion, the broader evidence presented here does not line up with the hypothesis of an 'amoral familism' in strong families. Taken together, the evidence points to a moral, but suspicious, familism.

The south of Italy is in several respects dysfunctional as discussed by Banfield (1958) and Putnam (1993), and other locations in the world share the same poor conditions as well as strong family ties. The results don't challenge that. The results do, however, challenge the idea that an 'amoral familism' in strong families is the cause of these dysfunctions. The poor performance of institutions should not be attributed to strong families.

I argued that the dominant norms are to not accept tax cheating and other ways of exploiting or imposing on others based on the averages in Table A1. It could of course be that in some families with strong ties the norm is that one takes advantage of others by for example cheating on taxes and benefits. Banfield (1958) argues that strong families organize themselves to exploit others for their own gain. The data clearly speaks against this as the dominant norm across families, as stronger family ties are associated with less acceptance of exploiting others for personal gain. I also find that individuals with stronger

⁴³See Banfield (1958) page 125.

⁴⁴Although Ermisch and Gambetta (2010) find a negative influence of family ties on trust there is no such influence on trustworthiness. As trustworthiness would be part of the offensive measures their finding also challenges the idea that stronger families tend to exploit others, in line with the findings presented here.

family ties think it is more important that children learn to respect others. It provides an intergenerational transmission mechanism for civic virtues, which may explain the presence of civic virtues in tighter family networks.

The results from the analysis of second generation immigrants provide a causal link in these relationships. Stronger family ties make for stronger civic virtues both in terms of attitudes and actions. Furthermore, parents from countries with stronger civic virtues have children with stronger civic virtues, although the children are born and reside in a different country. This provides direct evidence of education, or cultural transmission, of civicness within the family; an important component of Aghion et al's (2010) model for which I present evidence.

The results support the idea that tightly knit groups, such as families, can promote habits that may be important for the success of the community, as suggested by Weber (1946). The findings provide a constructive role for families, as they may support communities with high levels of civic virtues, in contrast to Banfield's (1958) detrimental prediction of an 'amoral familism' in tightly knit families. Strong families benefit both family members as well as society as a whole.

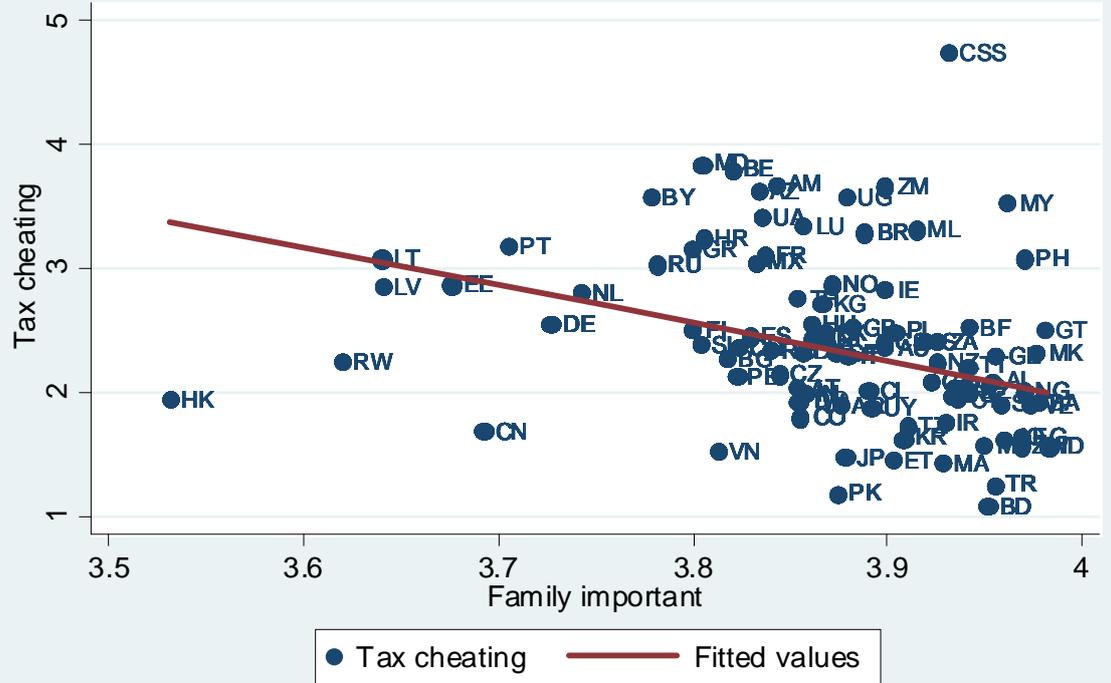
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Figure 1. Family ties and tax cheating across countries.



Note: Attitudes toward tax cheating are measured from 1, never justifiable, to 10, always justifiable.

Table 1. Family ties and civic virtues.

	Is it justifiable to:					
	Cheat on taxes if you have a chance	Claim benefits you are not entitled to	Pay cash to avoid taxes	Ride public transit with no ticket	Someone accepting a bribe	Lie in your own interest
	(1)	(2)	(3)	(4)	(5)	(6)
Family important	-0.315 (0.013)***	-0.258 (0.013)***	-0.273 (0.033)***	-0.317 (0.014)***	-0.231 (0.010)***	-0.269 (0.019)***
Female	-0.244 (0.009)***	-0.105 (0.010)***	-0.335 (0.030)***	-0.112 (0.010)***	-0.134 (0.007)***	-0.256 (0.017)***
College or university	-0.127 (0.016)***	-0.210 (0.016)***	0.049 (0.049)	-0.111 (0.017)***	-0.181 (0.012)***	-0.067 (0.036)
High-school	-0.078 (0.011)***	-0.117 (0.012)***	0.041 (0.033)	-0.092 (0.013)***	-0.090 (0.009)***	-0.050 (0.026)
Age	-0.016 (0.002)***	-0.022 (0.002)***	-0.032 (0.006)***	-0.033 (0.002)***	-0.019 (0.001)***	-0.030 (0.003)***
Age squared	-0.000 (0.000)	0.000 (0.000)***	0.000 (0.000)	0.000 (0.000)***	0.000 (0.000)***	0.000 (0.000)*
Married	-0.171 (0.013)***	-0.149 (0.013)***	-0.186 (0.040)***	-0.179 (0.014)***	-0.101 (0.010)***	-0.241 (0.023)***
Single	-0.066 (0.018)***	-0.020 (0.018)	-0.105 (0.057)	0.084 (0.019)***	-0.023 (0.014)	-0.033 (0.033)
Children	0.021 (0.003)***	0.024 (0.004)***	-0.006 (0.011)	0.025 (0.004)***	0.013 (0.003)***	-0.011 (0.007)
Employed (full-time)	-0.017 (0.012)	-0.038 (0.012)**	0.043 (0.037)	-0.059 (0.012)***	-0.017 (0.009)	-0.064 (0.021)**
Employed (part-time)	0.045 (0.019)*	0.096 (0.020)***	0.175 (0.062)**	0.086 (0.020)***	0.027 (0.014)	0.004 (0.034)
Self-employed	0.149 (0.017)***	-0.060 (0.018)***	0.172 (0.069)*	-0.038 (0.018)*	0.021 (0.013)	0.073 (0.038)
Catholic	-0.066 (0.015)***	-0.001 (0.015)	-0.147 (0.044)***	-0.143 (0.016)***	-0.036 (0.012)**	-0.162 (0.024)***
Protestant	-0.133 (0.017)***	-0.082 (0.017)***	-0.047 (0.060)	-0.162 (0.018)***	-0.108 (0.013)***	-0.171 (0.031)***
Orthodox	0.015 (0.026)	0.073 (0.024)**	-0.049 (0.062)	0.097 (0.028)***	-0.073 (0.018)***	-0.014 (0.043)
R-squared	0.111	0.109	0.128	0.129	0.103	0.119
Observations	245324	243099	30939	231681	253705	76556

Notes: Answers to the questions are coded from 1, never justified, to 10, always justified.

Family importance ranges from 1, not at all important, to 4, very important.

All regressions include a full set of country times wave fixed effects, and dummies for 10 income categories.

Robust standard errors in parenthesis, * p<0.05, ** p<0.01, *** p<0.001.

Table 2. Family ties, civic virtues, and child qualities.

	Is it justifiable to:						Child Qualities:		
	Litter in a public place (1)	Drive under the influence (2)	Speed in built-up area (3)	Fail to report damage (4)	Smoke in public buildings (5)	Buy stolen goods (6)	Good manners (7)	Tolerance and respect for others (8)	Control over one's life (9)
Family important	-0.170 (0.014)***	-0.185 (0.013)***	-0.184 (0.024)***	-0.230 (0.024)***	-0.320 (0.034)***	-0.262 (0.015)***	0.046 (0.003)***	0.043 (0.002)***	0.184 (0.013)***
Female	-0.149 (0.012)***	-0.265 (0.010)***	-0.368 (0.022)***	-0.155 (0.020)***	-0.306 (0.031)***	-0.199 (0.011)***	0.009 (0.002)***	0.038 (0.002)***	-0.129 (0.010)***
College or university	-0.068 (0.025)**	-0.025 (0.021)	0.250 (0.037)***	0.194 (0.084)*	-0.033 (0.050)	-0.126 (0.020)***	-0.066 (0.004)***	0.039 (0.003)***	0.368 (0.016)***
High-school	-0.021 (0.019)	-0.018 (0.015)	0.108 (0.025)***	0.151 (0.068)*	-0.002 (0.034)	-0.096 (0.015)***	-0.025 (0.003)***	0.026 (0.002)***	0.219 (0.012)***
Age	-0.025 (0.002)***	-0.014 (0.002)***	-0.041 (0.004)***	-0.041 (0.004)***	-0.007 (0.006)	-0.041 (0.002)***	-0.003 (0.000)***	0.003 (0.000)***	-0.024 (0.002)***
Age squared	0.000 (0.000)***	0.000 (0.000)**	0.000 (0.000)***	0.000 (0.000)***	-0.000 (0.000)***	0.000 (0.000)***	0.000 (0.000)***	-0.000 (0.000)***	0.000 (0.000)***
Married	-0.077 (0.016)***	-0.088 (0.014)***	-0.106 (0.028)***	-0.124 (0.028)***	-0.286 (0.041)***	-0.145 (0.014)***	0.010 (0.003)***	-0.000 (0.003)	0.028 (0.014)*
Single	0.019 (0.024)	0.018 (0.021)	0.067 (0.041)	0.040 (0.042)	0.027 (0.059)	0.050 (0.022)*	-0.018 (0.004)***	0.010 (0.003)**	0.059 (0.018)***
Children	-0.000 (0.005)	-0.002 (0.004)	-0.009 (0.008)	-0.006 (0.008)	-0.008 (0.012)	0.011 (0.004)**	0.000 (0.001)	-0.002 (0.001)**	-0.001 (0.004)
Employed (full-time)	-0.043 (0.015)**	-0.025 (0.013)	0.053 (0.027)*	-0.091 (0.026)***	-0.036 (0.038)	-0.050 (0.014)***	-0.002 (0.003)	0.006 (0.002)*	0.143 (0.012)***
Employed (part-time)	0.027 (0.026)	-0.003 (0.020)	0.082 (0.045)	0.001 (0.042)	0.096 (0.063)	0.017 (0.021)	-0.010 (0.004)*	0.004 (0.004)	0.112 (0.019)***
Self-employed	-0.029 (0.026)	0.043 (0.023)	0.216 (0.053)***	-0.089 (0.044)*	0.076 (0.073)	0.022 (0.021)	-0.007 (0.004)	-0.000 (0.003)	0.246 (0.018)***
Catholic	-0.009 (0.017)	-0.013 (0.015)	-0.108 (0.032)***	-0.165 (0.029)***	-0.193 (0.045)***	-0.085 (0.016)***	0.030 (0.003)***	-0.015 (0.003)***	0.010 (0.014)
Protestant	-0.086 (0.024)***	-0.006 (0.020)	-0.057 (0.042)	-0.119 (0.035)***	-0.283 (0.064)***	-0.121 (0.020)***	0.032 (0.004)***	-0.008 (0.003)*	0.089 (0.018)***
Orthodox	-0.066 (0.029)*	-0.042 (0.025)	-0.008 (0.044)	-0.223 (0.070)**	-0.100 (0.059)	0.003 (0.026)	-0.015 (0.006)**	-0.003 (0.005)	-0.074 (0.025)**
R-squared	0.076	0.069	0.154	0.083	0.120	0.086	0.124	0.063	0.125
Observations	73476	75949	32146	41454	31771	106415	164202	263462	253739

Notes: Answers in the first six columns are coded from 1, never justified, to 10, always justified. The child quality variables are coded as 1 if the quality is mentioned and zero otherwise. All regressions include a full set of country times wave fixed effects, and a full set of dummies for 10 income categories.

Robust standard errors in parenthesis, * p<0.05, ** p<0.01, *** p<0.001.

Table 3. Family ties and civic virtues with alternative family ties measure.

	Is it justifiable to:							Child Qualities:							
	Cheat on taxes if you have a chance	Claim benefits you are not entitled to	Pay cash to avoid taxes	Ride public transit with no ticket	Someone accepting a bribe	Lie in your own interest	Litter in a public place	Drive under the influence	Speed in built-up area	Fail to report damage	Smoke in public buildings	Buy stolen goods	Good manners	Tolerance and respect for others	Control over one's life
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Family ties (principal component)	-0.172 (0.006)***	-0.105 (0.005)***	-0.208 (0.014)***	-0.164 (0.006)***	-0.102 (0.004)***	-0.191 (0.008)***	-0.087 (0.006)***								
All controls in tables 1 and 2 are included in all specifications															
Observations	258791	256745	31235	240751	267590	83400	79048								
Family ties (principal component)	-0.081 (0.005)***	-0.089 (0.010)***	-0.119 (0.009)***	-0.195 (0.014)***	-0.142 (0.006)***	0.028 (0.001)***	0.009 (0.001)***	0.027 (0.006)***							
All controls in tables 1 and 2 are included in all specifications															
Observations	82546	32450	46056	32073	114392	175566	276971	166015							

Notes: Answers in the first six columns are coded from 1, never justified, to 10, always justified. The child quality variables are coded as 1 if the quality is mentioned and zero otherwise.

The controls are the same as in tables 1 and 2 including country specific wave fixed effects.

Robust standard errors in parenthesis, * p<0.05, ** p<0.01, *** p<0.001.

Table 4. Living with parents and civic virtues.

	Is it justifiable to:						
	Cheat on taxes if you have a chance	Claim benefits you are not entitled to	Pay cash to avoid taxes	Ride public transit with no ticket	Someone accepting a bribe	Lie in your own interest	Litter in a public place
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Live with Parents	-0.061 (0.014)***	-0.011 (0.014)	-0.106 (0.049)*	-0.041 (0.015)**	-0.001 (0.011)	-0.043 (0.028)	-0.060 (0.021)**

All controls in tables 1 and 2 are included in all specifications

Observations	257651	255395	31100	243969	266019	87610	74455
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	Is it justifiable to:					Child Qualities:	
	Drive under the influence	Speed in built-up area	Fail to report damage	Smoke in public buildings	Buy stolen goods	Good manners	Tolerance and respect for others
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Live with Parents	-0.013 (0.019)	-0.106 (0.037)**	0.024 (0.035)	-0.162 (0.051)**	0.018 (0.017)	0.024 (0.003)***	0.007 (0.003)*

All controls in tables 1 and 2 are included in all specifications

Observations	76964	32312	52285	31933	118376	176534	276883
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Notes: Answers in the first six columns are coded from 1, never justified, to 10, always justified. The child quality variables are coded as 1 if the quality is mentioned and zero otherwise.

The controls are the same as in tables 1 and 2 including country specific wave fixed effects.

Robust standard errors in parenthesis, * p<0.05, ** p<0.01, *** p<0.001.

Table 5. Civic virtues on family ties. Evidence from 2nd generation immigrants.

Dependent variable:	Important to help others (1)	Important to behave properly (2)	Important to help others (3)	Important to behave properly (4)
Live with parents (fraction), mother's birth country	0.354 (0.151)**	0.750 (0.252)***		
Live with parents (fraction), father's birth country			0.307 (0.150)**	0.783 (0.206)***
Age	0.001 (0.006)	-0.006 (0.005)	-0.010 (0.006)*	-0.005 (0.006)
Age squared/100	0.001 (0.006)	0.014 (0.005)***	0.012 (0.006)*	0.014 (0.007)**
Female	0.263 (0.027)***	-0.008 (0.038)	0.241 (0.019)***	0.017 (0.033)
Married	0.085 (0.027)***	0.154 (0.055)***	0.067 (0.045)	0.159 (0.034)***
Never married	0.093 (0.038)**	-0.057 (0.059)	0.042 (0.052)	-0.055 (0.054)
Child at home	0.071 (0.034)**	-0.008 (0.044)	0.089 (0.040)**	-0.004 (0.054)
Upper secondary	0.039 (0.039)	0.011 (0.050)	0.045 (0.033)	0.072 (0.046)
College or university	0.040 (0.040)	-0.143 (0.077)*	0.053 (0.042)	-0.081 (0.055)
Out of labor force	0.037 (0.034)	-0.004 (0.036)	-0.040 (0.027)	-0.019 (0.041)
Unemployed	-0.083 (0.059)	0.010 (0.100)	-0.081 (0.057)	-0.118 (0.066)*
Low income	0.007 (0.032)	0.157 (0.053)***	0.022 (0.034)	0.134 (0.052)**
Middle income	-0.083 (0.028)***	0.048 (0.049)	-0.013 (0.034)	0.063 (0.047)
Catholic	0.101 (0.030)***	0.193 (0.058)***	0.134 (0.035)***	0.236 (0.045)***
Protestant	0.078 (0.066)	0.153 (0.061)**	0.056 (0.069)	0.054 (0.069)
Orthodox	0.017 (0.056)	0.249 (0.051)***	0.051 (0.038)	0.181 (0.059)***
R-squared	0.082	0.090	0.085	0.091
Observations	5234	5224	5433	5422

Notes: Answers in the questions are coded from 1, not like me at all, to 6, very much like me.

All regressions include a full set of country fixed effects.

Standard errors, in parenthesis, are clustered by parent's birth country, * p<0.1, ** p<0.05, *** p<0.01.

Table 6. Civic virtues on family ties (principal component).

Dependent variable:	Important to help others (1)	Important to behave properly (2)	Important to help others (3)	Important to behave properly (4)
Family ties, mother's birth country	0.108 (0.047)**	0.294 (0.061)***		
Family ties, father's birth country			0.012 (0.042)	0.215 (0.078)***
Age	0.001 (0.006)	-0.007 (0.005)	-0.011 (0.006)*	-0.006 (0.006)
Age squared/100	0.001 (0.006)	0.015 (0.005)***	0.013 (0.006)*	0.015 (0.007)**
Female	0.266 (0.027)***	-0.002 (0.038)	0.242 (0.020)***	0.020 (0.033)
Married	0.093 (0.026)***	0.152 (0.055)***	0.073 (0.046)	0.159 (0.034)***
Never married	0.103 (0.037)***	-0.063 (0.060)	0.045 (0.053)	-0.052 (0.054)
Child at home	0.076 (0.033)**	-0.004 (0.044)	0.098 (0.040)**	-0.003 (0.054)
Upper secondary	0.042 (0.040)	0.022 (0.051)	0.043 (0.034)	0.081 (0.046)*
College or university	0.040 (0.041)	-0.145 (0.080)*	0.049 (0.043)	-0.085 (0.056)
Out of labor force	0.032 (0.035)	-0.004 (0.036)	-0.046 (0.027)*	-0.025 (0.042)
Unemployed	-0.083 (0.059)	0.011 (0.102)	-0.075 (0.058)	-0.099 (0.067)
Low income	0.010 (0.032)	0.167 (0.053)***	0.026 (0.034)	0.139 (0.053)***
Middle income	-0.089 (0.028)***	0.051 (0.050)	-0.010 (0.034)	0.072 (0.047)
Catholic	0.093 (0.030)***	0.177 (0.057)***	0.132 (0.036)***	0.225 (0.047)***
Protestant	0.074 (0.065)	0.146 (0.058)**	0.050 (0.071)	0.038 (0.071)
Orthodox	0.016 (0.056)	0.245 (0.053)***	0.056 (0.038)	0.185 (0.059)***
R-squared	0.083	0.092	0.086	0.091
Observations	5142	5132	5336	5325

Notes: Answers in the questions are coded from 1, not like me at all, to 6, very much like me.

All regressions include a full set of country fixed effects.

Standard errors, in parenthesis, are clustered by parent's birth country, * p<0.1, ** p<0.05, *** p<0.01.

Table 7. Uncivic behavior on family ties (live with parents).

Dependent variable:	Made a false insurance claim (1)	Paid cash to avoid tax (2)	Made a false insurance claim (3)	Paid cash to avoid tax (4)
Live with parents (fraction), mother's birth country	-0.102 (0.038)***	-0.070 (0.103)		
Live with parents (fraction), father's birth country			-0.026 (0.059)	-0.204 (0.100)**
Individual controls	Yes	Yes	Yes	Yes
Country fixed effects	Yes	Yes	Yes	Yes
R-squared	0.019	0.063	0.024	0.043
Observations	1957	1957	1949	1949

Notes: Answers in the questions are coded as 1 if true at least once, and 0 otherwise.

All regressions include a full set of country fixed effects and all the individual controls in Table 5.

Standard errors, in parenthesis, are clustered by the parent's birth country, * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

Table 8. Effects of civic virtues in parent's birth country on children's civic virtues.

Dependent variable:	Important to help others (1)	Important to behave properly (2)	Important to help others (3)	Important to behave properly (4)
Civic virtues, mother's birth country	0.059 (0.039)	0.159 (0.084)*		
Civic virtues, father's birth country			0.089 (0.042)**	0.132 (0.060)**
Age	-0.007 (0.005)	-0.004 (0.006)	0.003 (0.005)	-0.008 (0.005)*
Age squared/100	0.008 (0.006)	0.013 (0.006)**	-0.002 (0.005)	0.016 (0.005)***
Female	0.249 (0.019)***	0.020 (0.034)	0.267 (0.027)***	-0.007 (0.038)
Married	0.088 (0.045)*	0.164 (0.034)***	0.100 (0.025)***	0.152 (0.055)***
Never married	0.018 (0.051)	-0.033 (0.052)	0.071 (0.040)*	-0.057 (0.062)
Upper secondary	0.037 (0.034)	0.079 (0.047)*	0.038 (0.039)	0.019 (0.051)
College or university	0.044 (0.043)	-0.089 (0.057)	0.035 (0.041)	-0.151 (0.079)*
Out of labor force	-0.054 (0.026)**	-0.030 (0.041)	0.047 (0.034)	-0.014 (0.036)
Unemployed	-0.072 (0.057)	-0.105 (0.066)	-0.079 (0.059)	0.004 (0.101)
Low income	0.018 (0.035)	0.136 (0.052)**	0.002 (0.032)	0.165 (0.053)***
Middle income	-0.009 (0.034)	0.074 (0.047)	-0.088 (0.028)***	0.053 (0.048)
Catholic	0.131 (0.036)***	0.228 (0.047)***	0.099 (0.031)***	0.187 (0.057)***
Protestant	0.063 (0.070)	0.033 (0.072)	0.073 (0.067)	0.142 (0.060)**
Orthodox	0.053 (0.038)	0.190 (0.057)***	0.017 (0.056)	0.254 (0.051)***
R-squared	0.085	0.090	0.082	0.090
Observations	5328	5317	5169	5159

Notes: Answers in the questions are coded from 1, not like me at all, to 6, very much like me.

All regressions include a full set of country fixed effects.

Standard errors, in parenthesis, are clustered by the parent's birth country, * p<0.1, ** p<0.05, *** p<0.01.

Table A1. Summary statistics, EVS/WVS.

Variable	Mean	Std. Dev.	Min	Max
Parents' responsibilities	1.782	0.413	1	2
Respect and love for parents	1.827	0.378	1	2
Family important in life	3.864	0.400	1	4
Cheat on taxes	2.358	2.315	1	10
Claim benefits	2.368	2.325	1	10
Pay cash to avoid tax	3.103	2.588	1	10
Someone accepting a bribe	1.735	1.715	1	10
Lying in your own interest	2.797	2.332	1	10
Ride public transit without fare	2.482	2.389	1	10
Litter in a public place	1.755	1.572	1	10
Driving under the influence	1.532	1.375	1	10
Speeding in built-up area	2.227	1.931	1	10
Failing to report damage	2.140	2.049	1	10
Smoking in public building	3.369	2.698	1	10
Buy stolen goods	1.768	1.730	1	10
Good Manners	0.765	0.424	0	1
Tolerance and respect for others	0.676	0.468	0	1
Joining in boycotts	2.50	0.66	1	3
Attending demonstrations	2.28	0.74	1	3
Joining strikes	2.71	0.55	1	3
Occupying buildings	2.83	0.42	1	3
Female	0.516	0.500	0	1
College/univeristy degree	0.109	0.312	0	1
High school degree	0.323	0.468	0	1
Age	41.5	16.2	15	101
Married	0.604	0.489	0	1
single	0.231	0.422	0	1
Employed, full-time	0.373	0.483	0	1
Employed, part-time	0.068	0.252	0	1
Self-employed	0.087	0.282	0	1
Catholic	0.318	0.466	0	1
Protestant	0.124	0.329	0	1
Orthodox	0.086	0.281	0	1
Income groups	4.551	2.441	1	10

Table A2. Summary statistics for the ESS, 2nd generation immigrants.

Variable	Immigrant father sample				Immigrant mother sample			
	Mean	Std. Dev.	Min	Max	Mean	Std. Dev.	Min	Max
Behave properly	4.351	1.276	1	6	4.337	1.279	1	6
Help people	4.74	1.046	1	6	4.743	1.030	1	6
Worked in party/action group	.044	.204	0	1	0.047	0.213	0	1
Worn political badge	.08	.271	0	1	0.083	0.275	0	1
Signed petition	.224	.417	0	1	0.236	0.425	0	1
Family ties in parent's country	-.097	.334	-0.91	0.57	-0.129	0.345	-0.91	0.59
Civic virtues in parent's counti	-.028	.417	-1.14	0.98	-0.038	0.408	-1.88	0.98
Age	43.141	17.827	15	96	42.939	17.855	14	98
Female	.539	.498	0	1	0.534	0.499	0	1
Married	.483	.5	0	1	0.475	0.499	0	1
Never married	.337	.473	0	1	0.341	0.474	0	1
Upper secondary	.446	.497	0	1	0.451	0.498	0	1
College/univeristy degree	.286	.452	0	1	0.292	0.455	0	1
Out of labor force	.428	.495	0	1	0.419	0.493	0	1
Unemployed	.048	.213	0	1	0.047	0.211	0	1
Low income	.222	.415	0	1	0.221	0.415	0	1
Middle income	.28	.449	0	1	0.282	0.450	0	1
Catholic	.18	.384	0	1	0.191	0.393	0	1
Protestant	.065	.246	0	1	0.073	0.260	0	1
Orthodox	.12	.325	0	1	0.111	0.314	0	1

Table A3. Countries participating in the ESS by survey round.

Country	Round 1	Round 2	Round 3	Round 4
Austria	X	X	X	
Belgium	X	X	X	X
Bulgaria			X	X
Cyprus			X	X
Czech Republic	X	X		X
Denmark	X	X	X	X
Estonia		X	X	X
Finland	X	X	X	X
France	X	X	X	X
Germany	X	X	X	X
Greece	X	X		X
Hungary	X	X	X	X
Ireland	X	X	X	X
Israel	X			X
Italy	X	X		
Luxembourg	X	X		
Netherlands	X	X	X	X
Norway	X	X	X	X
Poland	X	X	X	X
Portugal	X	X	X	X
Russian Federation			X	X
Slovakia		X	X	X
Slovenia	X	X	X	X
Spain	X	X	X	X
Sweden	X	X	X	X
Switzerland	X	X	X	X
Turkey		X		X
Ukraine		X	X	X
United Kingdom	X	X	X	X