

# Changes in Network Socioeconomic Diversity, and Market Justice Preferences: Longitudinal Evidence from Chile

Julio Iturra-Sanhueza

## Introduction

The role of market institutions and principles has been pivotal in shaping the evolution of social policy regimes in highly unequal contexts such as Latin America (Huber & Stephens, 2012). From the 1970s onward, neoliberal reforms—marked by deregulation and privatization—transformed the architecture of the institutions of Latin American welfare systems, reinforcing the centrality of contractual relations in the marketplace, and extending market logic to social domains that previously were mainly attended by the state (Arrizabalo, 1995). In consequence, the role of public provision was reduced and counterbalanced with a stronger presence of market actors in the provision of social services (Harvey, 2020). From a moral economy perspective, the role of the market mechanisms in the allocation of resources has coexisted with principles of economic redistribution and reciprocity crystalized in welfare state institutions and family norms, in conjunction with their manifestation in popular views on each of these domains (Koos & Sachweh, 2019). In the literature, the set of principles and norms related to how the public embraces individual effort and productivity as the central criteria for resource allocation has been addressed under the concept of *market justice* (Kluegel, Mason, & Wegener, 1999; Lane, 1986). As these principles emphasize self-reliance and minimal government intervention, they function as a legitimizing mechanism of economic inequality by framing it as the result of fair competition (Svallfors, 2007).

The empirical distributive justice literature has shown that market justice attitudes are particularly salient in contexts of high inequality and modest public provision of welfare where the capacity of citizens to contribute or pay largely constrains access to welfare services (Immergut & Schneider, 2020; Lindh, 2015; von dem Kneesebeck, Vonneilich, & Kim, 2016). Under these circumstances, individuals in structurally advantaged positions in the labor market tend to be more supportive of market justice principles compared to those in occupations with greater labor market risk, low-demanded skills, and lower income (Castillo, Salgado, Carrasco, & Laffert, 2024; Lee & Stacey, 2023).

In addition, beyond individual labor market positions, the literature on attitudes toward economic inequality has recently discussed the role of social networks in preference formation. These studies have theorized that as interpersonal networks provide information and experiences of other individuals (Lin, 2001), this can affect attitudes in the form of a social influence mechanism which is contingent on the composition of these ties (Lindh, Andersson, & Völker, 2021). Empirically, studies have shown that class profiles – understood as single ties to certain occupational-class categories can affect inequality perception and support for redistribution (Cobo-Arroyo, 2022; Lindh et al., 2021). Moreover, research suggests that being connected to a diverse range of socioeconomic positions within interpersonal networks is linked to more critical

perspectives on economic inequality (Otero & Mendoza, 2023; Paskov & Weisstanner, 2022). Specifically, it has been argued that socioeconomic diversity in interpersonal networks—defined as the extent to which individuals are connected to others in different socioeconomic positions (e.g., occupations) provides a broader window through which individuals learn about others’ life conditions and views on economic inequality.

Recently, longitudinal studies have argued that theories of class-based attitude formation have mainly relied on cross-sectional evidence. The theoretical relevance of this claim is that the hypotheses on attitude formation have underscored the role of “class experiences” – understood as the socialization processes linked to individual experiences within the class structure across the life course (Ares, 2020; Helgason & Rehm, 2024; Langsæther, Evans, & O’Grady, 2022). These studies have shown that preference formation is neither completely shaped by the class of destination nor origin, showing that, indeed, those immobile in their class positions are much more aligned with class-based economic interests than the economically mobile.

A related argument is that mobile individuals are exposed to diverse “class experiences” through changes in their interpersonal networks, which offer varied information as they navigate different social positions throughout their lives (Ares, 2020; Helgason & Rehm, 2023, 2024). In this context, I argue that a research gap remains regarding how socioeconomic *changes* in personal networks shape attitudes toward economic inequality. Specifically, I suggest that network socioeconomic diversity plays a pivotal role, as it represents cross-class embeddedness through ties with family, friends, and acquaintances. These diverse connections provide access to a broad range of class experiences, contributing to preference formation by exposing individuals to a wider spectrum of experiences.

Using longitudinal data from the Chilean Longitudinal Social Survey (ELSOC, 2016–2023) this paper aims to scrutinize how changes in the socioeconomic network affect changes in support for market justice principles in Chile. Thus, I hypothesize that positive changes in network diversity will reduce support for market justice principles in the provision of social welfare. Despite being one of Latin America’s more prosperous nations, Chile has one of the highest levels of economic inequality in the region. At the same time, the institutional architecture of the social policy regime in Chile is characterized as a welfare model heavily reliant on private provision.

Against this backdrop, the main question of this paper is: to what extent do individual changes in socioeconomic network diversity influence changes in market justice preferences? This study contributes to the literature by providing evidence from a Latin American developing country, emphasizing how socioeconomic changes in personal networks shape market justice preferences over time.

## **Theoretical views on market justice, the socioeconomic position of individuals, and social networks**

### **Inequality and market justice preferences**

While redistribution in market societies mainly focuses on the capacity of the state to reallocate resources from those in more advantageous positions to those in greater

vulnerability, market institutions also play a role in shaping the distribution of economic resources (Koos & Sachweh, 2019; Lindh & McCall, 2020). Hereby, the legitimacy of resource allocation based on market principles has been referred to in the literature as *market justice*. In his seminal work, Lane (1986) defines *market justice* as a distributive principle that mainly focuses on rewards based on "earned deserts". At the same time, this contrasts with political justice, more closely related to the social policy architecture that prioritizes the principles of equality and need. In this line, he argues that individuals perceive market outcomes as fair because they are directly linked to individual effort, which in turn reinforces the importance of self-reliance and individual responsibility (Lane, 1986). These principles advocate efficiency through competition, minimal government intervention, and voluntary asset exchange. Additionally, market justice underscores the protection of individual rights, particularly those related to private property, allowing individuals to control resources and benefit from their labor.

Theoretically, I conceive *market justice* preferences as individual beliefs that legitimate inequalities associated with market outcomes, such as wage inequality among groups or unequal access to welfare services based on personal income (Kluegel et al., 1999). In this sense, the market is understood as a self-regulating arena, which coordinates economic exchanges based on supply and demand, where rewards are distributed according to individual contributions and efforts (Kluegel & Smith, 1981). This idea is grounded in the belief that the market promotes procedural fairness, where everyone has equal opportunities to compete, yet individual capabilities determine the outcomes (Lane, 1986). Unlike systems based on political justice, which emphasize equality and need, market justice is seen as a process where just outcomes are achieved through the fair competition of agents (Lane, 1986). This notion of justice stems from the assumption that outcomes are deserved, as they reflect individual effort and ability, fostering a sense of fairness (Svallfors, 2007). However, achieving perceived fairness depends on maintaining open and responsive systems, where equal opportunities are a precondition for an outcome to be considered just (Kluegel et al., 1999). Through this lens, inequalities are accepted—even seen as necessary—because they incentivize innovation and productivity, reinforcing societal prosperity by rewarding individual achievements and self-responsibility (Castillo, Madero-Cabib, & Salamovich, 2013). Thus, market justice values individual responsibility, linking economic rewards to personal contributions rather than redistributive mechanisms based on the principles of equality and need.

Research in empirical distributive justice has diversely addressed the study of the justification of economic inequality. In this landscape, one line of research is the literature on the justification of wage inequality based on salary gaps between occupations (Jasso, 1978; Kelley & Evans, 1993; Osberg & Smeeding, 2006; Wegener, 1987). Additionally, another part of the literature has underscored how the market justice principles permeate other spheres of society, such as the legitimacy of how market outcomes (e.g., wages) are transferred to other social domains, such as income-based access to welfare, such as education, healthcare, or old age pensions (Castillo et al., 2024; Lindh, 2015). This implies are viewed as legitimate commodities that can be traded, evaluated, and priced (Busemeyer & Iversen, 2020).

Currently, there are several ways in which researchers have named individual preferences toward income-based access to social services. Nevertheless, their common ground is the use of the survey item which states "*Is it just or unjust – right or wrong – that people with higher incomes can buy better [welfare service] than people with lower incomes?*" In

this regard, studies on “perceptions of fairness” in access to healthcare, such as Knesebeck et al. (2016) and Immergut and Schneider (2020), have assessed whether citizens find it fair that wealthier individuals receive better healthcare services than poorer individuals. In the educational domain, Lee and Stacey (2023) scrutinized Australian citizens' support for income-based access to schooling by gauging whether individuals consider it fair that higher-income families can secure a better education for their children. Similarly, other cross-country comparative studies such as Lindh (2015) and Svallfors (2007) have combined both indicators as a general indicator for the “market-based distribution” of welfare services. Recently, a study by Castillo et al. (2024) scrutinized market justice preferences on the student population in Chile in the domains of education, healthcare, and pensions, as well as by employing a single indicator of market justice. In this paper, I adopt the latter approach to scrutinize market justice preferences.

## **Does time matter? The role of (changes in) individual structural position and networks in attitudes towards inequality**

### **Socioeconomic status and attitudes toward inequality**

Most of the studies point out that individual socioeconomic position is an important predicting factor of market justice preferences. This has been explained mainly – but not exclusively by self-interested motivations on the expected desirability of market-based distributions over state-based redistribution among the socioeconomically advantaged groups (Lindh & McCall, 2020). To this extent, higher-status individuals, with higher educational credentials in better-paying and secure labor market positions, are less likely to challenge market-based distribution, as they justify to a greater extent that access to welfare should be determined by one's ability to pay, compared to those with disadvantaged labor market positions (Svallfors, 2007).

Empirically, it has been consistently demonstrated that those in socioeconomically advantaged positions endorse the idea that those with higher incomes should be able to pay more for better social services in the domains of education (Lee & Stacey, 2023), healthcare (Immergut & Schneider, 2020; von dem Knesebeck et al., 2016) and old age pensions (Castillo et al., 2024). Similarly, Lindh (2015) argues that upper-class individuals support market-based social service distribution because they benefit from systems that align with their financial independence, without relying on public support. In contrast, working-class individuals, often dependent on public services, prefer equitable access rather than market-driven systems. Hereby, market-based social insurance and services can be appealing to higher-income individuals as an alternative as they involve no redistribution (Busemeyer & Iversen, 2020). Another argument is that higher-income and educated individuals, who often benefit from market-based distributions, are more likely to view income inequality as fair and merit-based (Kluegel et al., 1999; Svallfors, 2007). Also, higher educational credentials are associated with greater acceptance of meritocratic ideals and the belief that the market rewards personal achievement (Castillo et al., 2013, 2024) as well as more financial stability given their highly valuable skills in the labor market (Häusermann, Kurer, & Schwander, 2015).

An important point is that most of the theoretical approaches to preference formation, including attitudes toward public and private alternatives to social welfare (Lindh & McCall, 2020) and economic inequality justification (Janmaat, 2013) have been conceived as theories that aim to explain between-group differences instead of being

theories of individual change. While related evidence has shown that upward intragenerational mobility is associated with greater individual well-being (Reche, König, & Hajek, 2019), the impact of such changes on economic preferences remains underexplored. In this sense, there are extensions of the self-interest model that have considered the role of optimistic economic prospects and intergenerational mobility on economic preferences (Jaime-Castillo & Marqués-Perales, 2019). Nonetheless, I argue that only a little literature has grasped the consequences of *changes* in socioeconomic status more directly.

The main theories on political attitude formation offer distinct perspectives on how changes in socioeconomic positions shape political attitudes over time. In a recent study, Helgason & Rehm (2023) reviewed and empirically scrutinized how different income mobility profiles differed in their “core political values” over time in Britain. They differentiate between five possible expectations according to the current self-interest-based mechanism – prospective income mobility or income expectations (Benabou & Ok, 2001; Rueda & Stegmueller, 2019), as well as preference formation based on informational updates (Druckman & Lupia, 2000). In their perspective, political attitudes can be explained through (i) *socialization*, which posits early-life stability; (ii) *anticipation*, where attitudes can be aligned with expected future income; (iii) *myopic self-interest*, which focuses on immediate income effects; (iv) *learning* highlights cumulative changes from past and current experiences; and (v) *status maximization* links attitudes to the highest structural position achieved over time. In this sense, Helgason & Rehm (2024) argue that attitudinal change is a gradual process of adaptation. This process tends to be slow and accumulative, especially in terms of learning and updating beliefs. As a result, differences in political attitudes between groups (e.g. income or occupations) are often more pronounced than changes in attitudes within the same individual over time (Helgason & Rehm, 2024).

Empirically, longitudinal evidence hints that as individuals experience rising structural positions, particularly through occupational class and income, they become more conservative in their political views and demand less redistribution as they benefit more directly from unequal distributions (Helgason & Rehm, 2023; Langsæther et al., 2022; Stegmueller, 2013). It is also noteworthy that mobile individuals show more nuanced preferences when compared to those with homogeneous-stable working or upper-class mobility trajectories (Helgason & Rehm, 2024). Similarly, in the British case, it has been shown that upwardly mobile individuals are more prone to vote for the conservative party, known for its pro-market stances in terms of welfare provision (Helgason & Rehm, 2023). Although this evidence has not directly addressed market justice preferences, it provides some clues on how their relationship with market justice preferences can be expected.

In line with the above, I expect that individuals who increase their socioeconomic status across the occupational ladder support market justice preferences to a greater extent (*market legitimacy*). Nevertheless, how do changes in interpersonal networks affect market justice preferences?

## **Network structure and attitudes towards economic inequality**

Beyond the individual structural position, literature has argued that social networks also contribute to attitude formation in different manners. In this regard, a stronger justification of inequality is not solely explained by individual self-interest or normative

value-driven explanations (Kulin & Svallfors, 2013; Maldonado, Olivos, Castillo, Atria, & Azar, 2019). Recently, it has been scrutinized the role of network class profiles – understood as the share of ties toward specific social classes and has been found that higher ties to working-class (upper-class) positions are associated with higher (lower) perceived income inequality (Cobo-Arroyo, 2022) and stronger (weaker) support for inequality reduction (Lindh & Andersson, 2024). In this sense, it is argued that networks shape attitudes and political preferences through social influence implying that individuals adjust their views accordingly based on the information obtained through their network ties (Lindh et al., 2021).

Other studies have taken a step forward the single class-profile approach and have shown that the *simultaneous* connection to diverse socioeconomic status positions is associated with more critical views on economic inequality. In particular, socioeconomic diversity in interpersonal networks (*diversity* onwards)—understood as the degree of connectedness to dissimilar socioeconomic positions (e.g., occupations) has been brought into the discussion of how networks contribute to the formation of attitudes toward economic inequality (Otero & Mendoza, 2023). In this sense, it has been argued that dissimilarity within networks refers to cross-cutting social circles which implies access to diverse life experiences and broader exposure to information (Blau, 1977). Additionally, another argument is that network ties act as inferential spaces (Mijs & Roe, 2021). This implies that individuals who reason and experience more integrated networks are much more likely to learn and comprehend the magnitude and causes of inequality (Mijs & Usmani, 2024). This diversity of experiences can leverage the connection between economic inequality and labor market rewards as cross-class contact provides more diverse information and life experiences of others that may foster empathy toward those in economic despair (Sachweh, 2012) or, conversely, legitimize inequality as cross-class contact fades (Vargas Salfate & Stern, 2023).

Another argument is that views on distributive justice are shaped by the structure of social connections. In this regard, *existential standards*—understood as context-dependent benchmarks of fairness that emerge from individuals’ lived experiences and exposure to prevailing institutional arrangements and patterns of social inequality—develop through both informational and socialization processes (Castillo, 2011; Immergut & Schneider, 2020). On the informational side, people form expectations by observing how income, status, and opportunities are allocated within everyday contexts, such as workplaces or neighborhoods. These localized “referential structures” provide concrete, empirical benchmarks for fairness, rooted in the experiences of others in similar life situations (Shepelak & Alwin, 1986). Over time, the socialization process transforms these observations into normative beliefs: people internalize the distribution patterns they witness as legitimate and come to accept them as how things ought to be. This dual process anchors fairness judgments in the concrete realities of social life rather than abstract ideals (Immergut & Schneider, 2020). Furthermore, those embedded in structurally diverse networks—especially in bridging positions across otherwise disconnected groups—are more likely to encounter contrasting experiences and interpretations of inequality. These ties can offer access to non-redundant information and unfamiliar perspectives, broadening understandings of inequalities and might promote more nuanced attitudes toward justice (Burt, 2004; Vedres, 2022). As such, both the content and normativity of fairness evaluations are deeply conditioned by exposure to diverse social settings, particularly as it unfolds over time (Christensen, Dinesen, & Sønderskov, 2024).

Empirically, the claim that diversity is associated with more critical views on economic inequality has received empirical support. For instance, Paskov & Weisstanner (2022) found that more diverse networks lead to dis-aligned class-based redistributive preferences, where working-class individuals with parental and partner ties to the upper-middle classes nuance their preferences compared to “pure” working-class connections. By contrast, upper-middle-class individuals with more ties toward the working class are more likely to support redistribution. More straightforwardly, Otero & Mendoza (2023) found that more socioeconomically diverse acquaintance networks are associated with higher perceived inequality, higher economic egalitarianism, and more critical views on the current equality of opportunities and meritocracy.

Against this background, I argue that being connected to a diverse range of social positions can significantly broaden exposure to different experiences with market-based inequality. Hereby, individuals with diverse and cross-cutting social ties are more likely to receive information about labor market processes such as job seeking and wage differences from diverse sources (Contreras, Otero, Díaz, & Suárez, 2019; Svallfors, 2006). This can be also linked to the attributed importance of structural or non-meritocratic factors, such as inherited wealth or social connections in the process of getting ahead in life in contexts of rising (or high) economic inequality (McCall, Burk, Laperrière, & Richeson, 2017). As follows, I expect that network diversity nurtures greater skepticism toward the fairness of market mechanisms (*market skepticism hypothesis*) in distributing resources and particularly the legitimacy of market-based distribution of social welfare.

Little is known about whether political attitudes are affected by *changes* in network composition, particularly concerning network diversity. From the perspective of individual change, social networks, by providing access to information—in this case, diversity—are likely to contribute to social learning processes (Druckman & Lupia, 2000; Lin, 2001). Theoretically, networks can represent a “social convoy” (Kahn and Antonucci, 1980) of social relationships understood as a structure where information and support are embedded (Hollstein, 2023). Additionally, ties within this convoy can be modified according to life-course events, such as changes in employment status, marriage, or geographic position (Rözer et al., 2020; Völker, 2020). At the same time, it is usually assumed that acquaintanceship ties tend to change more over time and be nurtured from more diverse social positions in contrast to the more stable strong ties, such as family or friendships (Granovetter, 1973).

There are different explanations for how individual changes in network diversity might influence attitudes toward economic inequality and, more specifically, toward market justice preferences. One argument posits that those changes in the socioeconomic composition of sociability spaces nurture constraints and opportunities to meet and create new ties that contribute to diversity (Feld, 1981). For instance, it has been shown desegregation in schools explains changes in the socioeconomic composition of friendship ties and can cause changes in attitudes towards inequality, in line with greater skepticism regarding the fairness of labor market outcomes and opportunities for social mobility (Londoño-Vélez, 2022). Another aspect is that social mobility processes may expose individuals to different class positions relative to their class of origin. This increased exposure to diverse social ties and ideas could challenge the culture and values of the class of origin and lead to changes in political attitudes (Ares, 2020). In addition, political attitudes may evolve through socialization processes as individuals acquire new

"class experiences" within a different social milieu (Helgason & Rehm, 2024). These experiences may provide (i) new perspectives and (ii) more accurate insights into their own class of origin, as well as the values and interests associated with other class positions.

In line with the above, I argue that changes in network diversity can nurture changes in political attitudes as they reflect the influence of new social contexts and the information they provide. As individuals encounter different life experiences, they may develop critical views on the fairness of market distributions and market-based access to social welfare. Over time, greater network diversity allows individuals to accumulate a variety of experiences and learn from new information. Therefore, the main hypothesis of this study read as follows:

H1: the greater the changes in network diversity, the less support market justice.

## **Case of Chile**

Chile provides a valuable case study to shed light on how public views regarding the market distribution of social services develop in conditions of decreasing poverty and relatively high income inequality in the context of a residual social policy regime (Ferre, 2023). Since the neoliberal reforms of the 1980s, Chile's welfare system has leaned heavily on private provision, where services are often privatized and only accessible to those who can afford them (Arrizabalo, 1995). This "crowded-out" welfare model benefits higher-income groups, leaving lower-income individuals to rely on limited public options. Despite economic growth, it remains one of the most unequal countries in the OECD, with a high Gini index and concentrated wealth among the top deciles (Rodríguez Weber, 2017). Scholars studying social stratification have suggested that Chile exemplifies a society with upward mobility from lower classes to intermediate sectors, yet with limited access to the upper classes (Torche, 2005). Although research indicates that while the class structure in Chile shows greater fluidity regarding occupational class and educational attainment, it does not reflect the same pattern when it comes to income mobility (Espinoza & Núñez, 2014). These inequalities are evident in the high levels of residential segregation found in large urban centers (Garreton, Basauri, & Valenzuela, 2020), which have also influenced individuals' interpersonal networks (Otero, Völker, & Rözer, 2022). Specifically, it has been noted that the upper classes in Chile can be described as "open but segregated," as they display high levels of segregation while still able to connect with a diverse range of social classes within their networks (Otero, Völker, & Rözer, 2021).

Regarding public opinion, the International Social Survey of 2019 shows that Chile has a moderate-low support for the idea that it is fair that those with higher incomes can buy better health care and/or education for their children with around 22%, which contrasts with high support in countries like Taiwan (48%) or the low support in Germany (9%). Against this background, a cycle of mass protests known as the "social outburst" started in October 2019. Initially, the protests were sparked by the mobilization of high school students, which progressively triggered different sectors of society to join the demand for greater equality in access to education, health care, and old age pensions. This protest where interpreted by the political system as a demand for a public shift toward a "crowded-in" welfare model, with greater public provision of social services (Somma,



Bargsted, Disi Pavlic, & Medel, 2021). In sum, Chile is an illustrative case where marketization has been predominant compared to public provision of social services. This institutional arrangement has coexisted with changes in the living conditions of citizens during the past decades have been accompanied by shifts in public opinion for a more inclusive and public-based welfare system.

## **Data, variables, and method**

### **Data**

The primary data source is the Chilean Longitudinal Social Survey (ELSOC, 2022) from 2016 to 2023, including three-time measures, designed to annually assess how individuals think, feel, and behave regarding social issues related to conflict and cohesion in Chile. Using a probabilistic, stratified, clustered, and multistage sampling design, the survey covers major urban centers (Santiago, Valparaíso, and Concepción) and smaller cities. The first wave included 2,927 participants aged 18 to 75, representing populations in the north and south, covering 77% of Chile's total population and 93% of the urban population, with a response rate of 62.4% (Centre for Social Conflict and Cohesion Studies, 2022). After listwise deletion, the analytical sample includes 6,390 observations nested within 2,841 individuals. In 2018 (Wave 2), a refreshment sample was added to the study, consisting of 1,519 cases, while 2,229 cases corresponded to the original sample from 2016 (Wave 1). I decided to exclude this refreshment sample to focus on longer-term trends. The study initially included 2,630 respondents in wave 1. Of these, 2,101 (79.9%) participated in wave 3, and 1,659 (63.1%) remained by wave 7. This corresponds to an attrition rate of approximately 20.1% between waves 1 and 3, and 21.0% between waves 3 and 7. The overall attrition rate from wave 1 to wave 7 is approximately 36.9%.

### **Variables**

#### *Market justice preferences*

The main dependent variable of this study is *market justice preferences*: 'It is fair that people with higher incomes have better pensions than people with lower incomes', 'It is fair that people with higher incomes have access to better education for their children than people with lower incomes', and 'It is fair that people with higher incomes can access better healthcare than people with lower incomes'. These items are measured on a 5-point Likert scale from 1 (Completely disagree) to 5 (Completely agree). The Cronbach alpha is close to 0.8 in all time points ( $\alpha_{t1}=.82$ ,  $\alpha_{t2}=.86$ ,  $\alpha_{t3}=.83$ ). Here, the three items are combined in a single indicator where higher values indicate stronger support for market justice principles ( $M = 2.06$ ,  $SD = 0.86$ ).

### *Socio-economic status*

For measuring socioeconomic status (SES), I use the International Socio-Economic Index of Occupational Status (ISEI) (Ganzeboom, 2010). This indicator assigns continuous scores to occupations based on their required education and associated income levels. The ISEI synthesizes information on occupational hierarchies, educational attainment, and earnings to reflect the socioeconomic positioning of individuals within the labor market. The ISEI scores range from 16 (lowest status) to 88 (highest status). Following Langsæther et al. (2022, p. 963). I argue that including other socioeconomic factors, such as income, can be considered a post-treatment variable in a longitudinal context as it results from occupational mobility. Therefore, all model specifications include ISEI scores based on occupations as the main SES measurement. I categorized the ISEI scores in tertiles to represent low, middle, and high groups, as well as an additional category of missing information.

### *Network socioeconomic diversity*

In this study, respondents were asked about the socio-economic diversity of their acquaintances in Chile. An acquaintance was defined as someone they could recognize by name and could converse with if encountered in public. The answers are categorized based on occupational status and grouped by the International Socio-Economic Index (ISEI). These categories included higher-status occupations (e.g., doctors, attorneys, university professors), medium-status occupations (e.g., accountants, shop assistants, preschool teachers), and lower-status occupations (e.g., waiters, car mechanics, taxi drivers). Respondents were asked to approximate the number of people they knew in each occupation.

The network diversity index was calculated to capture the socio-economic diversity of respondents' networks. Following recommendations in network analysis literature (Otero & Mendoza, 2023; Sapin, Joye, & Wolf, 2020) a single dimension was used to represent network diversity, incorporating four indicators: the index of qualitative variation (IQV), cross-class (number of different occupational groups known), coefficient of variation of ISEI scores, and extensivity (number of different occupations known). Higher values on this index indicate greater socio-economic diversity in respondents' networks. The solution based on one dimension for the diversity index measurement model is adequate

## **Method**

I estimated fixed-effects linear models (Andreß, Golsch, & Schmidt, 2013) to examine the extent to which changes in network diversity predict market justice preferences. I analyzed these data using the “plm” package in R. In the context of panel data, within-person effects capture how changes in individual-level variables (e.g., network diversity) between waves are associated with preferences for market justice while controlling by the influence of time-invariant characteristics. The estimations are presented using standardized coefficients.

## Longitudinal results on network diversity and market justice attitudes

Table 1: Fixed effects regression for market justice preferences and network diversity

	Model 1	Model 2	Model 3
ISEI (ref.= from Low)			
to Middle	0.22*** (0.05)		0.23*** (0.05)
to High	0.03 (0.06)		0.04 (0.06)
Network diversity		-0.04* (0.02)	-0.05* (0.02)
Unit FE	Yes	Yes	Yes
Time FE	Yes	Yes	Yes
Num. obs.	6390	6390	6390

\*\*\*  $p < 0.001$ ; \*\*  $p < 0.01$ ; \*  $p < 0.05$ ; Standard errors in parentheses. Standardized coefficients. Models include age as control. ISEI includes a category for missing cases (not shown).

The results from the fixed effects models are presented in Table 1. Model 1 shows how to change from the low (references category) to the middle occupational status ( $\beta = 0.23$ ,  $p < 0.001$ ) increases support for market justice preferences. It is noticeable that the effect coefficient represents almost one-quarter of the standard deviation for those who experience occupational mobility from the lowest to the middle-status groups. At the same time, undergoing changes from the lowest to the highest occupational status group shows an increase by non-significant changes in their support for market justice ( $\beta = 0.07$ ,  $p > 0.05$ ). These results align with the expectations drawn from the theoretical assumptions about the role of upward occupational mobility on *market legitimacy*. At the same time, it implies that experiencing upward occupational mobility motivates adjustments in support of market principles, in line with previous evidence that has argued that upwardly mobile individuals tend to adjust their attitudes according to the dominant attitudes in the position of destination (Ares, 2020; Langsæther et al., 2022).

In Model 2, I introduce network diversity to account for how changes in the socioeconomic diversity of acquaintance networks affect market justice preferences. The results indicate that a one standard deviation increase in diversity drives a decrease of -0.05 standard deviations in market justice principles ( $\beta = -0.05$ ,  $p < 0.05$ ). In the following estimation presented in Model 3, the relationship between network diversity and market justice preferences holds the same even when controlled by changes in occupational status, network status, network size, household income, and educational attainment. Figure 1 depicts the average predictions on the relationship between network diversity and market justice preferences. For instance, for a value of network diversity of -4.04 (-1 SD) the average predicted market justice preferences are 0.17 (0.02 – 0.32). Also, when network diversity is at its mean value of 0, the average predicted market justice preferences are -0.01 (-0.06 – 0.03) and -0.07 (-0.14 – 0.00) when diversity rises to 1.27 (+ 1 SD). This suggests that individual change from a low-diversity network to a highly

diverse network indicates an average decrease in market justice preferences of 0.1 standard deviations. Overall, this implies that individuals who have increased the socioeconomic diversity of acquaintance networks also show more critical views of market justice principles, which is in line with the *market skepticism* hypothesis (H1).

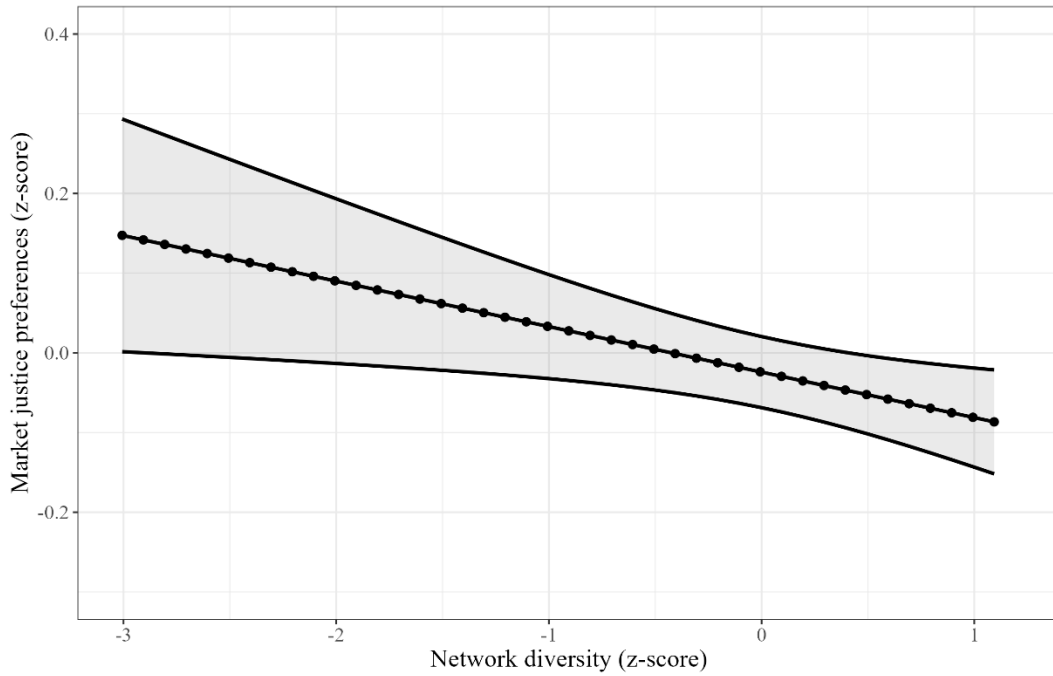


Figure 1: Predictive Estimates of Market Justice Preferences by Network Diversity

## Discussion

The findings presented here provide empirical support for the market skepticism hypothesis: increases in the socioeconomic diversity of personal networks are associated with declining support for market-based principles in the distribution of welfare services. This association is consistent across time, suggesting that interpersonal exposure to heterogeneous social environments—particularly across socioeconomic lines—plays a central role in shaping individuals' views on market justice principles in the provision of social services.

Three interrelated explanations can account for this relationship. First, from a life-course perspective, interpersonal networks evolve in response to changes in individuals' occupational trajectories. This perspective aligns with the notion of the *social convoy* (Kahn & Antonucci, 1980), a changing configuration of social relationships that accompanies individuals over time. Importantly, shifts in these convoys are not solely driven by social mobility. Rather, they also reflect broader life transitions—such as entering or leaving the workforce, changes in marital status, or geographical location. As individuals accumulate more varied experiences through these evolving social ties, they gain access to different sources of information, jointly with others' views on the distribution of economic opportunities or labor market outcomes, such as the procedures related to educational opportunities, wage inequality, or living conditions of pensioners.

These experiences may challenge previously held assumptions about the legitimacy of market-based distributions.

Second, drawing from empirical justice theories, it is argued that exposure to socioeconomic diversity transforms the *existential standards* individuals use to evaluate distributive fairness (Immergut & Schneider, 2020; Shepelak & Alwin, 1986). These standards refer to what people perceive as normal, expected, or acceptable within their social context. When individuals interact with others who are situated differently within the social structure and who may face distinct constraints in accessing education, healthcare, or pensions, they are confronted with contrasting experiences of inequality. Over time, these encounters may destabilize the moral foundations of market justice by exposing individuals to realities that contradict the assumption that outcomes are solely the result of individual effort.

This process is likely amplified when networks bring together individuals from otherwise disconnected segments of the social structure. In such cases, people are more likely to access divergent and often non-redundant information about how social systems function across different positions (Burt, 2004). Prior research suggests that these types of ties are especially valuable for broadening individuals' perspectives, as they provide access to unfamiliar and sometimes conflicting interpretations of economic and institutional realities (Vedres, 2022). In the context of market justice, these contrasting experiences and informational flows may encourage individuals to question the fairness of allocating public goods according to income and purchasing power. Thus, the presence of socioeconomic diversity in personal networks serves not only to increase exposure to inequality but also to deepen understanding of its structural roots.

Taken together, these insights point to the social embeddedness of distributive preferences. Attitudes toward market justice are not merely reflections of fixed individual characteristics or ideological predispositions; rather, they emerge through social interaction and exposure. Socioeconomic diversity in networks—rising over time — appears to be a critical site for political learning and normative re-evaluation.

Evidence from Chile, a country with entrenched inequality and a market-oriented welfare system, provides a particularly compelling context in which to examine these phenomena. The results contribute to a growing body of literature emphasizing the role of social networks of attitudes toward inequality. They suggest that attention to network composition—and to the diversity of perspectives it enables—may be crucial for understanding how individuals come to accept or reject market-based principles of social organization.

Future research could further explore the temporal and cumulative aspects of diverse social exposure, as well as the conditions under which such exposure is most likely to generate attitudinal change. It also remains to be seen whether certain individuals—depending on their position within the social structure—are more or less susceptible to the influence of diversity in their networks. Moreover, identifying patterns of network change over time could offer important insights into how social learning processes unfold and consolidate.

Finally, these findings raise relevant implications for public policy. If exposure to socioeconomic diversity fosters more critical attitudes toward market-based inequality,

then institutional arrangements that promote cross-class contact—such as integrated schooling, urban desegregation, or inclusive civic participation—may contribute to the development of more egalitarian social attitudes. In this regard, the everyday spaces of sociability that shape individuals’ understanding of inequality deserve closer attention—not only as outcomes of stratification, but also as potential instruments for its contestation.

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