# Merit and Blame in Unequal Societies: Explaining Latin Americans' Beliefs about Wealth and Poverty

Mauricio Bucca<sup>a,</sup>

<sup>a</sup>Department of Sociology, Cornell University, Ithaca, NY 14850

#### Abstract

Popular beliefs about the causes of inequality are often thought to reflect the actual processes behind social stratification. This article analyzes the case of seven Latin American countries as an example that challenges this intuition. In these rigid and unequal societies, people are more likely to believe that wealth and poverty depend on individual merits or faults rather than structural constraints. Drawing on data from the 2007 Social Cohesion Survey, we use multinomial logistic regression and counterfactual simulation to investigate the factors that drive popular beliefs about wealth and poverty at the individual level, as well as across countries. Our findings challenge traditional hypotheses regarding beliefs about inequality, describing a more complex picture where, along some dimensions of social stratification, the most disadvantaged legitimize the origins of wealth and poverty, while the most advantaged maintain structuralist explanations of economic fate. In particular, we find a novel effect of social class. Additionally, our simulations reveal that variation across countries is only explained by unobserved country-level factors.

Keywords: Beliefs, Inequality, Poverty, Wealth, Latin America

#### 1. Introduction

Popular beliefs about the origins of social inequality have been a central concern for sociologists for well over a century. While Marx and Engels (1846) were concerned about the false consciousness of the proletariat, American scholars called attention to the specific ideologies about stratification prevailing in their society (Huber and Form, 1973; Lipset, 1997). More recently, as European welfare states came under criticism and as inequality dramatically increased in the US, there has been a renewed focus on popular views about inequality, as well as the social legitimacy of both poverty and wealth (Alesina and Glaeser, 2004; McCall, 2013). However, due to a historical lack of data, most studies on this topic investigate either Europe or North America. This constitutes an unfortunate limitation, given that these societies tend to be wealthy and politically stable, a situation that does not obtain for most of the world. The present article addresses this empirical blindspot by analyzing the opinions of Latin Americans on the causes of wealth and poverty.

While this region is characterized by a combination of high levels of income inequality together with limited levels of social mobility (De Ferranti, 2004; Torche, 2009; Fields, 2009; Torche, 2014), very little is known about what Latin Americans actually think about social inequality. An important set of theories assumes that beliefs about inequality reflect the actual stratification that exists in society (Homans, 1974; Feagin, 1975; Kluegel et al., 1995, p. 137; Stephenson, 2000; Hadler, 2005). Our findings, however, show that in most of these rigid and unequal countries, a majority of the population believes that people are personally responsible for their own economic success or failure - they perceive, in other words, a socioeconomic meritocracy. Conversely, the impact of structural factors, such as discrimination and social background, is often viewed as less important. However, a great deal of variability exists among these countries. In particular, Brazilians and Argentinians are comparatively more inclined toward structuralist accounts of inequality, while Peruvians, Guatemalans, and Mexicans are more prone to give individualistic explanations of socioeconomic disparities.

To further investigate this phenomenon, the present article attempts to answer two inter-related aspects of beliefs about wealth and poverty. First, what factors lead an individual to believe that wealth and poverty are earned, instead of received, inherited, or ascribed? Second, how do these individual-level factors aggregate to produce variation across countries? This study answers these question by leveraging a unique and underused dataset on seven Latin American countries, the *Encuesta de Cohesion Social 2007*<sup>1</sup>, a survey specifically designed to measure different dimensions of social cohesion in the region. Unlike previous research which focuses on beliefs about poverty, this article studies beliefs about both wealth and poverty as two separate phenomena potentially driven by different factors. It first employs multinomial logistic regression to study the factors that shape individual beliefs about the causes of wealth and poverty, and then builds on these results through simulations in order to tease out the partial contribution of each explanatory variable to the cross-country variation of these beliefs.

<sup>&</sup>lt;sup>1</sup>Translation: Social Cohesion Survey 2007

This analytical effort contributes to current research both empirically and theoretically. On the one hand, it is (to our knowledge) the first study to investigate popular beliefs about the causes of wealth and poverty in comparative perspective across Latin American countries, thus significantly expanding the scope of the debate. On the other hand, our findings both complement and challenge existing research, by showing that it is not always the case that the economically advantaged legitimate their position through individualistic narratives, or that the poor excuse their situation through structuralist accounts. Rather, we describe a more complex picture where, along some dimensions of social stratification, the most disadvantaged legitimize the origins of wealth and poverty, while the most advantaged maintain structuralist explanations of economic fate. In particular, we find a novel effect of social class. Additionally, the results highlight the importance of considering contextual, macro-level factors when attempting to explain people's beliefs on inequality as well as the distribution of these beliefs across countries.

### 2. Theoretical Background

#### 2.1. Beliefs about Wealth and Poverty

Several scholars have noted that popular beliefs on social inequality are relevant because they may reflect the degree of legitimacy of a given stratification structure, the notions of social justice widely adhered to, and the potential for conflict generated by inequality (Kluegel and Smith, 1986). Beliefs about inequality may further translate into relevant social outcomes, such as differential support and demand for redistribution (Fong, 2001; Benabou and Ok, 2001; Bullock et al., 2003; Alesina and Glaeser, 2004; Alesina and Giuliano, 2009), voting behavior (Piketty, 1995) and social cohesion (Sachweh, 2011), among others.

Individual views about the sources of wealth and poverty can be categorized into two different types: those that emphasize the potential of individual agency and those that highlight the constraining nature of social structure. The literature refers to the former as "individualistic beliefs", while the latter are characterized as "structuralist beliefs" (Feagin, 1972; Kluegel and Smith, 1986).

Individualistic beliefs emphasize the importance of negative personal traits such as laziness, simplemindedness or moral deviation as the main factors that lead to poverty. In this sense, the poor are considered
responsible for their own condition, a form of victim blaming (Ryan, 1976). Regarding wealth, however,
individualistic beliefs highlight virtues such as hard work, intelligence and ethical conduct as the core causes
of economic success: affluence results from personal merit. The prevalence of individualistic beliefs about
economic outcomes in a given society may indicate that socioeconomic differences are considered legitimate,
in the sense that "everyone gets what they deserve".

On the other hand, structuralist beliefs emphasize that the poor are "trapped" in poverty as their condition is the result of factors that they cannot control, such as social background or discrimination. Regarding wealth, structuralist beliefs stress the importance of inter-generational transmission of privilege: economic

success is seen as the outcome of social, economic and cultural capital heritage, passed on to an individual by their family and immediate social environment. The prevalence of structuralist beliefs within a society may indicate that socioeconomic differences are perceived as illegitimate (Oorschot and Halman, 2000).

Theories that aim to explain beliefs about inequality have emphasized both individual-level and country-level factors. The following sections discuss these theories.

### 2.2. Individual Level Factors

# 2.2.1. Structural Position

Most of the theories that focus on the relation between an individual's socioeconomic standing and their beliefs about inequality assume that the link between the two is either people's desire to legitimize their own situation or people's differential perception of inequality based on their social position. However, the observational data that is generally used in the study of beliefs does not allow to differentiate the effects of these two mechanisms. The literature on beliefs about inequality generally focuses on the effects of three dimensions of an individual's social position: socioeconomic status, social class and education.

Socioeconomic status is -net of its association with social class and education- a measure of material wellbeing. The "legitimation perspective" suggests that people of high socioeconomic status have individualistic beliefs about inequality because they wish to legitimize their economic superiority with a meritocratic narrative of success (Rytina et al., 1970; Kluegel and Smith, 1986; Kreidl, 2000). Similarly, people of lower socioeconomic status may blame society for their deprivation. Other authors claim that beliefs about inequality are based on the different perceptions of social constraints engendered by one's position on the social ladder. According to this argument, people of high socioeconomic status may have individualistic beliefs about inequality, because their personal experience may lead them to overestimate the fluidity and availability of opportunities in society. Conversely, those of low socioeconomic status will generally hold structuralist beliefs about inequality, because they perceive a higher rigidity and lack of opportunities (Robinson and Bell, 1978; Hunt, 1996, 2004). This argument is commonly known as the "underdog principle" (Robinson and Bell, 1978; Kluegel and Smith, 1982), and it has also been used to explain the beliefs of other socially disadvantaged groups such as women and ethnic minorities. Hence, following these theories, we expect that people of higher socioeconomic status will more likely to favor individualistic beliefs, while people of lower socioeconomic status will be more likely to promote structuralist beliefs  $(H_1)^2$ .

Social class accounts for a set of factors (other than income or education) that may promote different perceptions of inequality. These factors include possession of the means of production, specialized skills, and control and authority in work environments (Erikson and Goldthorpe, 1992; Portes and Hoffman, 2003). The

<sup>&</sup>lt;sup>2</sup>On a more empirical note, research has shown that what truly matters in determining beliefs about inequality is perceived, rather than observed, socioeconomic status (Gijsberts and Ganzeboom, 2001; Gijsberts, 2002).

literature often assumes that individuals who perform tasks that require specialized skills will tend to hold meritocratic beliefs about inequality, as will those who control means of production. On the other hand, inferiority in work environments will favor structuralist beliefs (Svallfors, 1993, 2006; Kreidl, 2000). Then, according to this perspective, we expect that the upper classes or class of service may hold meritocratic beliefs about economic outcomes, while the working class may support structuralist beliefs  $(H_2)$ .

Turning to the effect of education, theories generally assume a process of differential perception. Scholars argue that beliefs about inequality depend on people's capacity to process information about stratification in their society's. Therefore, education may be a critical factor in shaping perceptions about inequality. In this sense, the so-called "enlightenment thesis" argues that education creates more sensitivity towards structural constraints, while lack of education tends to hide these constraints (Robinson and Bell, 1978; Niemela, 2008; Kane and Kyyro, 2001). According to this approach, we expect that having a higher level of education will favor structuralist beliefs about wealth and poverty, while having a lower level of education will promote individualistic beliefs  $(H_3)$ .

# 2.2.2. Social Mobility

Social mobility is yet another factor that can shape beliefs about inequality. As many scholars have claimed, upward mobility might encourage individualistic views about inequality. People who manage to rise socially -regardless of their origins and destination- tend to attribute their success to their own work and ability, and they may similarly rely on their experience to explain the failure or success of other members of society (Kluegel and Smith, 1986; Wegener and Liebig, 1995; Ellemers et al., 2001). Conversely, downward mobility may favor structuralist explanations of inequality, as failure in these cases is generally attributed to exogenous factors. The link between social mobility and beliefs about inequality may be the desire for self-legitimation or a biased perception of actual opportunities in society. Therefore, following these approaches, we expect that perceived upward mobility favors individualistic beliefs about wealth and poverty, while perceived downward mobility might promote structuralist beliefs. On the other hand, the effect of immobility may depend on the original position, such that people who remain at an advantaged social position may attribute it to their own merit, and people who remain at a disadvantaged position may invoke structuralist explanations (H<sub>4</sub>).

# 2.2.3. Race, Sex and Age

The issue of racial and ethnic differences in relation to beliefs about inequality has been widely studied in the American context. Scholars have documented that historical marginalization and discrimination against African Americans has led to the enduring social identification of this group as a disadvantaged racial minority. This perception of discrimination generally transcends social class, income, and education (Hunt, 1996, 2004, 2007). Consequently, research has consistently found that African Americans are much more likely than whites to attribute economic differences to discrimination and much less likely to attribute social

disadvantages -particularly poverty- to lack of abilities, will or motivation. Similar beliefs have been found in the case of Hispanics, although their increasing assimilation with whites has determined an increase in their tendency to explain inequality as the result of lack of motivation, and a decline in their propensity to associate inequality with discrimination (Hunt, 1996, 2004; Bullock and Waugh, 2005; Hunt, 2007).

Although no Latin American country has a recent history of institutionalized discrimination against racial minorities, it is a well known fact that discrimination exists as a deep source of social stratification in these countries (Villarreal, 2010; Telles and Paschel, 2014). Therefore, following these approach, we expect that ethnic minorities, such as indigenous peoples or blacks, will be more likely to hold structural views about wealth and poverty, while "mestizos" and whites (the mainstream) will be more prone to hold individualistic beliefs (H<sub>5</sub>). However, findings in this regard are mixed. While Bailey (2002) finds that race has no effect on the probability of mainlining discrimination-based explanations for inequalities between blacks and whites in Brazil, Bailey (2004) reports that blacks and browns are significantly more likely than whites to mention discrimination or historical slavery as main causes behind black's economic disadvantage in Rio de Janeiro, Brazil. Additionally, recent research on beliefs about the causes of racial disparities in Latin America has found that the inhabitants of countries with large indigenous or black populations, regardless of race, tend to hold structural explanations of inequalities between racial groups. Authors have found that Brazilians are the most inclined to favor structural explanations, while Bolivians are the least likely to recognize discrimination. They interpret their findings as a contradiction to the theory that Latin American ideologies of "mestizaje" may mask ethnic and racial discrimination (Telles and Bailey, 2013).

Regarding the influence of sex and age, research has generally shown that, as predicted by the "underdog" hypothesis, women are more likely to hold structural views about inequality, while elderly people tend to maintain individualistic views (Gijsberts, 2002; Niemela, 2008). Additionally, since most of the research on this topic is based on cross-sectional data, it is often not possible to differentiate between age and cohort effects.

#### 2.3. Country Level Factors

# 2.3.1. The Reflection Hypothesis

A common assumption in the study of inequality is that individual views about social stratification reflect the structural conditions of a given society (Feagin, 1975; Kluegel et al., 1995, p. 137; Stephenson, 2000; Hadler, 2005). This approach suggests that people's beliefs about inequality tend to be consistent with their society's objective degree of inequality. Regarding the processes behind this hypothesis, some authors assume that people's beliefs are mostly a "description" of what they perceive in society (Gijsberts, 2002), while other scholars take this assumption one step further, claiming that people may also be inclined to attribute normative value to the social regularities they observe. As stated by Homans (p. 249-250), "The

rule of distributive justice is a statement of what ought to be, and what people say ought to be is determined in the long run and with some lag by what they find in fact to be the case".

This approach leads us to expect that people's beliefs about the origins of wealth and poverty will be consistent with actual societal characteristics, such as the level and pattern of social mobility, the unevenness of the income distribution or the prevalence of poverty and wealth. Since rates of social mobility are indicators, however imperfect, of the degree to which an individual's chances of success depend on either achieved or ascribed characteristics (Breen, 2010), the more fluid a society is, the more likely its members will be of having individualistic beliefs about wealth and poverty; conversely, structuralist beliefs will prevail in more rigid societies. Moreover, since the effect of social mobility is based on people's perception of such mobility, the macroeconomic context may have a similar effect on people's beliefs, because "relative mobility" and "absolute mobility" are nearly indistinguishable from an individual's point of view (Hout, 2014). Thus, periods of economic growth will favor the spread of individualistic beliefs because people may experience this growth as upward mobility, while recession will encourage structuralist beliefs (Kluegel and Smith, 1986; Giuliano and Spilimbergo, 2009). Regarding income inequality, this may influence popular views less than social mobility, because country-level inequality might be more difficult to perceive than individual-level mobility. Nevertheless, a reasonable hypothesis is that exposure to higher socioeconomic disparities may generate increased sensitivity to social inequality, which in turn may translate into a higher tendency to maintain structuralist views. Following these hypotheses we expect that Latin Americans will support structuralist explanation of the causes of wealth and poverty, as their countries combine high income inequality and limited social mobility  $(H_6)$ . Likewise, country-level differences regarding beliefs may reflect distinct levels of social mobility and inequality.

# 2.3.2. The Moral Economy of Welfare Institutions

Another line of thought argues that attitudes towards inequality and redistribution are shaped by the type of political institutions that prevail in society, particularly welfare systems. This argument is based on the assertion that welfare institutions are not normatively neutral. Rather, they transmit to citizens a set of implicit and explicit valuations about social issues such as justice and fairness, while also legitimizing welfare itself (Korpi, 2001; Svallfors, 2006; Larsen, 2008; Jaeger, 2009; Sachweh and Olafsdottir, 2010). As stated by Esping-Andersen (Esping-Anderson, 1990, p. 58): "Welfare states may be equally large or comprehensive, but with entirely different effects on social structure [...] Each case will produce its own fabric of social solidarity".

However, several studies in political science and political economics support the opposite causal relation (Linos and West, 2003; Alesina and Glaeser, 2004; Alesina and Angeletos, 2005; Benabou and Tirole, 2006), that is, that a country's distributive policy depends on its citizens preferences for redistribution and acceptance or rejection of inequality. Nonetheless, authors who address institutional influence complement this

framework by bringing into play the relevance of the normative feedback between beliefs and welfare institutions. This theory could explain why public demand for redistribution is actually smaller in countries with higher inequality than in countries with lower inequality and stronger welfare regimes. For instance, Sachweh and Olafsdottir (2010) found that Americans are more likely than Swedes or Germans to perceive their society as unequal, but they also generally prefer that higher degree of inequality. This theory suggests that the State's more active role in fighting inequality and poverty would increase the prevalence of structuralist views. Along the same lines, weaker redistributive policies would favor the dominance of individualistic views.

In the case of Latin America, a plausible hypothesis is that the limited and fragmentary action of the state in addressing inequalities could favor the prevalence of individualistic beliefs among citizens, in spite of the elevated levels of social inequality. Marcel and Rivera (2008) argue that despite the significant progress achieved in the last decade, social protection is still in its early stages in many Latin American states. Thus, the region presents a relatively unstable set of programs and rules combined with policies that are in a perpetual process of change and instability. The exceptions to the rule may be Argentina, Brazil and Chile, often characterized as "potential" welfare regimes (Huber et al., 2006; Marcel and Rivera, 2008; Haggard and Kaufman, 2008). Hence, following this approach, we expect that living in a country with a weak welfare system promotes individualistic accounts of wealth and poverty, while a stronger welfare system will favor structuralist explanations ( $H_7$ ).

#### 3. Data, Measures and Analytical Approach

# 3.1. Data

Data used in this study comes from the Encuesta de Cohesion Social 2007<sup>3</sup> (EcoSocial), which is part of a research project, Nueva Agenda de Cohesion Social en America Latina. The survey was implemented by CIEPLAN -a Latin American Think Tank <sup>4</sup>-, in collaboration with UNDP and the Instituto Fernando Henrique Cardoso, in seven Latin American countries: Argentina, Brazil, Chile, Colombia, Guatemala, Mexico, and Peru <sup>5</sup>. The sample size consists of a total of 10,000 observations, representative of the adult population (over 18) living in large cities in each country. The sample size of each city is proportional to its population, according to the most recent census information, the sample design is probabilistic in all three stages (country, city, and households), and the survey was carried out through structured, in-person interviews. Post-stratification weights conforming to data from census and large household surveys in each

<sup>&</sup>lt;sup>3</sup>2007 Social Cohesion Survey

<sup>&</sup>lt;sup>4</sup>For more information: http://www.cieplan.org/.

<sup>&</sup>lt;sup>5</sup>EcoSocial 2007 received funding from the European Commission and was coordinated by the Institute of Sociology of the Catholic University of Chile and the Helen Kellogg Institute for International Studies at Notre Dame University.

country were used to adjust the distribution of sampling variables (sex and age), as well as educational attainment.

This poll constitutes a unique dataset for the purposes of research on popular perceptions of social cohesion and inequality. EcoSocial 2007 follows a rigorous sampling methodology and is one of the few surveys that collects information from a heterogeneous set of Latin American countries, with special emphasis on the topics addressed in this article. As such, it brings together a comprehensive set of measures that focus mainly on issues such as social mobility, legitimacy of inequalities, socio-economic, religious and political polarization, and confidence in institutions <sup>6</sup>. The main limitation of this instrument is that its representation is restricted to large cities and could therefore conceal important differences in rural regions and smaller urban areas <sup>7</sup>.

### 3.2. Measures

Unlike most of the research in this field, which focuses on beliefs about poverty, this article studies popular views about wealth and poverty as two separate phenomena, potentially driven by different factors. Consequently, our analysis has two dependent variables: one is based on beliefs about wealth while the other on beliefs about poverty. Each of these variables relies on two separate study questions. When analyzing beliefs about wealth, subjects are asked the following questions: "In your opinion, which of following factors is the most important in determining a person's wealth in this country?", and "Which is the second most important factor in this sense?". The response alternatives for both questions are: "Money inherited from family members": "Initiative and hard work": "Influence or social contacts": "Great ability and personal talent". When analyzing beliefs about poverty, subjects are asked the following questions: "In your opinion, which of the following factors is the most important in determining a person's poverty in this country?", and "Which is the second most important factor in this sense?". The response alternatives for these two "Parents are also poor"; "Laziness and lack of initiative"; "Vice and alcoholism"; "Social questions are: discrimination". Following the typology of Kluegel and Smith (1986), response alternatives are categorized as either individualistic or structuralist, while the combination of similar answers for pairs of questions (for example, opining that both the first and second most important determinants of wealth are structural) creates two new variables used to measure beliefs about wealth and poverty. Overall, the combined variables can be classified as either individualistic, structuralist or mixed (if each response belongs to a different category). Table 1 illustrates this typology. By construction, if beliefs were randomly assigned to individuals, it would be observed that 25% of people had individualistic and structuralist views, whereas 50% had mixed views. This typology has been shown to be more reliable and methodologically robust than others for analyzing beliefs about wealth and poverty (Lepianka et al., 2009).

<sup>&</sup>lt;sup>6</sup>For other related studies using EcoSocial see: Birdsall et al. (2014); López-Calva et al. (2012); Ferreira et al. (2012).

<sup>&</sup>lt;sup>7</sup>The percentages of the total population of each country living in the sampled cities are the following: 39% in Argentina, 11% in Brazil, 46% in Chile, 29% in Colombia, 20% in Guatemala, 30% in Mexico and 38% in Peru.

Table 1: Typology of Beliefs about Wealth and Poverty

		First mos	t important
		Structuralist	Individualistic
Second most important	Structuralist	Structuralist	Mixed
	Individualistic	Mixed	Individualistic

The independent variables in this study directly address the hypotheses presented above. The variables that account for a person's structural position are perceived socioeconomic status, occupational class, and education level. As an indicator of perceived socioeconomic status, interviewees are asked the following question: "Where would you place your current economic position in this scale?", followed by a prompt to grade themselves using a scale from 1 to 10. The occupational class variable is constructed according to the CASMIN scheme of social class (Erikson and Goldthorpe, 1992), and the education level is measured using the ISCED standard (UNESCO). As for social mobility, variables are constructed to assess perceptions of inter-generational and intra-generational mobility. These indicators are incorporate the difference between the variable for measuring perceived socioeconomic status and two variables based on the replies to the following questions: "Where would you place your economic position 10 years ago in this scale?" and "Where in this scale would you place the economic position of your mother and/or father when you were 15 years old?". Since both scales are also from 1 to 10, social mobility variables can take values between -9 and 9. Negative values indicate perceived downward social mobility and positive values upward indicate perceived social mobility. It should be noted that people's perception of social mobility is generally a combination of both relative mobility as well as absolute mobility experiences. Finally, variables that indicate the sex, race and age of respondents are also incorporated. It is important to note that the variable measuring race does not constitute an objective or external classification. It rather measures people's perception of their own race. As in the cases of perceived SES and mobility, it can be argued that perceived race is more directly linked to attitudes and beliefs than external racial classification, an issue that is of particular relevance in the Latin American context (Telles and Paschel, 2014). At the same time, perceived race may have the advantage of capturing the internalized racial boundaries that are specific to each society. At the macrolevel, the study includes dummy variables for each country. These indicators capture and combine all the relevant country-level characteristics that cannot be directly observed in the data (such as society-wide levels of inequality, economic growth and the role of welfare institutions). Table 2 shows the descriptive statistics for all dependent and independent variables, separated by country.

Table 2: Means of Dependent and Independent Variables

		Argentina	Brazil	Chile	Colombia	Guatemala	Mexico	Peru	Total
Beliefs about	Structuralist	.26	.18	.18	.15	.07	.12	.05	.15
We alth	Mixed	.49	.54	.47	.48	.54	.44	.39	.48
	Individualistic	.25	.28	.35	.37	.39	.43	.56	.37
Beliefs about	Structuralist	.20	.11	.10	.13	.05	.08	.09	.11
Poverty	Mixed	.52	.62	.46	.52	.58	.43	.45	.51
	Individualistic	.28	.27	.44	.35	.37	.50	.46	.38
Education	Less than Elementary	.01	.03	.01	.02	.16	.03	.02	.04
	Elementary	.34	.22	.10	.26	.40	.31	.17	.25
	High School	.37	.58	.59	.45	.32	.48	.45	.47
	BA or more	.28	.17	.30	.27	.12	.17	.37	.24
Occupational	NILF	.31	.42	.47	.43	.43	.45	.39	.41
Class	Unskilled Worker	.18	.12	.10	.12	.12	.14	.18	.14
	Skilled Worker	.09	.04	.09	.05	.10	.07	.04	.07
	Small Owner	.14	.14	.11	.21	.15	.16	.20	.16
	No-manual Routine	.24	.23	.19	.15	.18	.14	.14	.18
	Professional	.04	.05	.04	.04	.02	.03	.05	.04
SES	Perceived SES	4.87	4.36	4.46	4.09	4.61	4.98	4.19	4.51
Perceived	Intra-gen Mobility	29	01	05	.00	.61	.20	.03	.06
Mobility	Inter-gen Mobility	36	.20	.15	05	.39	.36	15	.07
Sex	Woman	.52	.52	.51	.52	.54	.51	.51	.52
	Man	.48	.48	.49	.48	.46	.49	.49	.48
Age	Age	42.34	40.15	41.85	39.81	37.69	38.55	39.43	40.01
Race	White	.65	.43	.44	.38	.29	.13	.08	.34
	Mestizo	.25	.20	.47	.38	.38	.71	.73	.44
	Indigenous	.01	.02	.02	.02	.23	.07	.06	.06
	Black	.09	.36	.07	.22	.10	.10	.13	.16
	Observations	1400	1700	1400	1400	1200	1500	1400	10000

Note: All values correspond to proportions, except for Perceived SES, Perceived Intra and Intergenerational Mobility and Age Source: ECosociAL Survey 2007

# 3.3. Analytical Approach

This study's analysis develops in two moments, beginning with a multinomial logistic regression to investigate the factors that explain people's beliefs about wealth and poverty. Bulding up on the regression results, we use counterfactual simulations to study the contribution of each explanatory variable to the country-level variation in the distribution of beliefs.

Multinomial logistic regression is used to model the determinants of beliefs about wealth and poverty, as these models are suitable when the outcome variable can take more than two values, making it reasonable to assume a multinomial distribution. Equation 1 presents the model,

$$\eta_{ij} = \log \frac{\pi_{ij}}{\pi_{iJ}} = \alpha_j + \mathbf{X}_i' \boldsymbol{\beta}_j + \mathbf{C}_i' \boldsymbol{\gamma}_j, \quad j = 1, \dots, J - 1$$
(1)

where  $\eta_{ij}$  is the logit of individual i of having the j-type explanation of wealth or poverty,  $\pi_{ij}$  is the probability of the j-type belief and  $\pi_{iJ}$  is the probability of "individualistic belief", which are set as the reference category. On the right-hand side of the equation,  $X_i$  is a vector of individual attributes and  $\beta_j$  is the corresponding vector of regression coefficients.  $C_i$  is a vector of indicator dummy-variables for countries and  $\gamma_j$  is a vector of fixed effects parameters associated to each country. Finally,  $\alpha_j$  is a constant in the model. Thus, the probability that individual i, from country c, holding a j-type belief about wealth or poverty can be expressed as  $\pi_{ij} = (\exp\{\eta_{ij}\})(\sum_{j=1}^{J} \exp\{\eta_{ij}\})^{-1}$ .

This general model is applied in order to explain the two dependent variables in this study: beliefs about wealth and beliefs about poverty. The predictors in the models are derived from the theoretical framework presented above. Multinomial over Ordered Logistic regression is preferred because the parallel regression assumption does not hold (See Appendix: Tables 7 and 8).

This first part of the analysis aims to identify which factors affect the probability of individuals holding certain beliefs about wealth and poverty. However, it does not tell us how these factors produce a different distribution of beliefs across countries. In order to investigate differences in the distribution of beliefs between countries a set of simulations is implemented. By aggregating across the i's of the individual level model (described in Equation 1), the average probability of each j-type belief for each country (i.e., the percentage), here  $\pi_{cj}$ , can be expressed as the expectation of that same j-type belief conditional on the country of belonging, c. Formally,  $\mathbb{E}[\pi_{ij} \mid C = c]$ . Thus, for a given country c, the proportion of people holding the j-type belief will depend on the distribution of all K individual level predictors by country here  $f_k(x_k \mid c)$  -, the fixed effect specific to that country,  $\gamma_{cj}$ , the constant term  $\alpha_j$ , and the effects of the predictors,  $\beta_j$ . Out of these, only  $f_k(x_k \mid c)$  and  $\gamma_{cj}$  vary by country, being therefore the two sources of cross-country variation. A strong assumption of this model is that the influence of individual level predictors does not differ across countries.

Building upon this assumption, several counterfactual scenarios are simulated in order to isolate the relative impact of each explanatory factor on the distribution of beliefs. Hence, each scenario simulates the expected distribution of beliefs within countries under the assumption that they are uniquely determined by one  $\lambda$  predictor. For example, what would the distribution of beliefs about wealth in Peru look like if Peruvians' beliefs were only determined by, say, their educational attainment? The results from these simulations inform us on the extent to which differences in the distribution of beliefs across countries are due to variation in the

distribution of individual-level predictors and/or the effect of country-level factors. These results, however, cannot be interpreted in a causal fashion, offering rather a careful descriptive examination of the data.

Equation 2 describes the computation of these simulated scenarios,

$$\hat{\pi}_{cj} = \frac{1}{N_c} \sum_{i=1}^{N_c} \left[ \left( \exp\{\hat{\alpha}_{ij} + \boldsymbol{\lambda}_i' \hat{\boldsymbol{\beta}}_j\} \right) \left( \sum_{j=1}^{J} \exp\{\hat{\alpha}_{ij} + \boldsymbol{\lambda}_i' \hat{\boldsymbol{\beta}}_j\} \right)^{-1} \mid C = c \right] \quad j = 1, \dots, J - 1 \quad (2)$$

where  $\hat{\pi}_{cj} \times 100$  is the predicted percentage of people holding the j-type belief in each country,  $\lambda_i$  is a vector that contains the  $\lambda$  variable, its higher-order terms, and interactions included in the individual-level model.  $\hat{\beta}_j$  is a vector of the corresponding regression coefficients and  $\hat{\alpha}_j$  is the constant estimated from the model. Coefficients come from the estimations presented in models M3 and M4. In order to prevent the constant term from containing the associate probability of all the reference categories, effect-coding is used for dummy variables (SAS-Institute, 2008), while continuous variables are centered on their means. This way, the country average of each predictor corresponds to deviations from its average in the pooled (i.e., multi-country) sample, while the estimated coefficients correspond to their effects, expressed as deviations from the grand mean  $\hat{\alpha}_j$ , which represents the average individual of the sample across all countries.

This analytical strategy presents two main limitations. Firstly, an exhaustive explanation of differences between countries requires the inclusion of country-level characteristics in the model. Even though multilevel modeling is the natural choice for the purpose of this research, the reduced number of countries analyzed (7) may hinder the reliability of the results (Snijders and Bosker, 2011). In order to lessen this limitation, fixed effects are introduced to capture the joint influences of country-level factors. In this setting, however, these factors remain unknown. Moreover, in order to incorporate the nested structure of the data into the models, the assumption of independence among observations is relaxed: it is assumed that observations are independent between -but not within- countries. This procedure yields robust standard errors, which affect the significance of the estimators but not the regression coefficients. The second limitation is that the effect of individual predictors is assumed to be equal across countries. Although it might be reasonable to relax this assumption, the opposite approach is taken due to the constraints imposed by the size of the sample and the need for a parsimonious explanatory model.

To assess the robustness of estimates, the explanatory model previously described is applied to predict responses to the following statement: "In this country, life achievements depend mainly on wealth and family prestige", which arguably captures the same type of views measured by the typology of beliefs about wealth. Additionally, the robustness of the results to relaxing the assumption of Independence of Irrelevant Alternatives (IIA) is tested by re-estimating all models with Multinomial Probit. Finally, sample sizes are equalized by means of sampling weights, to prevent estimates from being driven by the countries with larger samples, and these weights further adjust the distribution of sampling variables, to conform to data from

census and large household surveys in each country. As for the counterfactual scenarios, a Bootstrap Monte Carlo simulation is implemented to provide confidence intervals for the simulated quantities of interest.

# 4. Findings

# 4.1. Beliefs about Wealth and Poverty in Seven Latin American Countries

This research studies two dependent variables: beliefs about wealth and beliefs about poverty. Both types of beliefs are operationally categorized as either "individualistic", "mixed", or "structuralist". By construction, the majority of responses in all countries belong to the "mixed" category. Table 2 shows that, as we would expect if beliefs were randomly assigned to individuals, about 50% of people in all countries would maintain mixed beliefs. In contrast, the comparison between individualistic and structuralist beliefs reveals that, in most countries, the former are disproportionally overrepresented while the latter are much lower than would be expected under random belief assignment (25%). Although variation is substantial between countries, individualistic explanations of poverty are more common than structuralist ones in all the countries analyzed. The same applies to wealth, with the exception of Argentina, where both views are equally represented. Extreme cases are Peru and Guatemala, where only 5% and 7% of individuals hold structuralist views about wealth, and 56% and 39% hold individualistic explanations, respectively. Regarding beliefs about poverty, 50% of the Mexican population presents individualistic views, while only 8% has structuralist beliefs. A similar pattern is observed in countries like Peru and Chile<sup>8</sup>. These results depart substantially from previous research on beliefs about the causes of racial inequality in Latin American countries, especially Brazil. Scholarship on this topic has consistently found consensual public opinion emphasizing the importance of structural factors over individualistic ones as the main causes of socioeconomic disparities between different racial groups (Bailey, 2002, 2004; Telles and Bailey, 2013)9. However, these findings do not directly address

<sup>&</sup>lt;sup>8</sup>Very similar results are reported by an independent survey -Encuesta Bicentenario- for the case of Chile in 2009 and 2013. For further details visit: http://encuestabicentenario.uc.cl/wp-content/uploads/2014/04/UC-Adimark-2013ppt-final.pdf, p.90-91.

<sup>&</sup>lt;sup>9</sup>The reasons for this discrepancy are arguably two-fold. First, certain studies are based on surveys whose questions may unwittingly prime structuralist responses. In particular, Datafolha Instituto de Pesquisas survey asks "Blacks in Brazil were freed from slavery about 100 years ago. In your opinion, who is most responsible for the fact that the black population still lives in worse living conditions than the white population?" (Bailey, 2002), DataUff asks "Some studies show that in general black persons have worse jobs, salaries, and education than white persons. I am going to mention some reasons that people say explain that situation" (Bailey, 2004) and the 2010 Americas Barometer asks "According to the Census, indigenous persons/black persons/darker skin persons are poorer. What do you think is the main reason for that?" (Telles and Bailey, 2013). Second, certain operationalization choices may drive results toward structuralist interpretations. For instance, regarding the question about the causes of racial socioeconomic gaps, Telles and Bailey (2013) decided to treat the answer "Because they have a low educational level" (referring to indigenous/black/darker skin persons) as an indicator of structuralist accounts of inequality. While the structural causes of educational attainment seem clear to sociologists, this may not be an obvious assumption for the non-academic, such that it is unclear whether a respondent associates educational level with structural

the current study, because racial inequality is only one component of the societal inequality studied here, and because the salience of race-based disparities varies across the countries presently analysed.

# 4.2. Explaining Beliefs about Wealth and Poverty

This section presents the results from the investigation of the determinants of beliefs about the causes of economic outcomes. As specified in the analytical strategy, beliefs about wealth and poverty are studied separately, but the same explanatory model is applied for both dependent variables. In this model, the dependent variable is the type of belief exhibited by the individual, and the reference category is the belief-type "individualistic".

#### 4.2.1. A Model of Beliefs about Wealth

Table 3 reports results from a multinomial logit model of beliefs about the causes of wealth. Beliefs about wealth are modeled as a function of four different sets of covariates: variables that capture structural position, variables that account for perceptions of social mobility, demographic characteristics and country-level dummy indicators. We include interactions and higher-order terms in order to capture the potential non-linear effects of these variables (e.g. an heterogeneous effect of social mobility depending on perceived origins). Log-odd ratios using effect-coding are reported, such that coefficients correspond to log-odd ratios of holding structuralist or mixed beliefs instead of individualistic ones, as compared to a grand mean that could be interpreted as an average individual in the multi-country sample. The constant term shows that the average individual across countries has an estimated probability of 0.14 of holding structuralist views and a probability of 0.35 of holding individualistic views about wealth. Explanatory variables in this model can be interpreted as sources of deviation from this baseline, i.e., the mean individual.

Among the variables that indicate structural position, perceived socioeconomic status would seem to increase the likelihood of holding individualistic beliefs stressing the role played by talent and hard work as the main

factors or whether they consider it the outcome of individual merit. This operationalization decision is crucial because it alone accounts for 26% of the total answers to this question, ranging from 12% in Brazil to 46% in the case of Peru. In fact, if one were to label the education response as "individualist", such accounts would comprise the majority in almost all countries (with the exception of Brazil). By contrast, EcoSocial frames the questions about the causes of poverty and wealth in strictly neutral terms and asks respondents to choose between alternatives that are unequivocally classifiable as either structuralist or individualist accounts (see 3.2).

<sup>10</sup>It could be argued that the mean, cross-country individual exists only in the statistical model, and that comparisons to this individual are interpretatively meaningless. That said, consulting the descriptive statistics in table 2 reveals a number of important similarities between the national samples, such as age (roughly 40 years), level of education (no more than high school), occupational status (skilled workers and professionals are minorities in all countries), and gender ratios (approximately half-half). This cross-national homogeneity lends some credence for a meaningful interpretation of the mean individual as the modal Latin American. However, significant discrepancies among self-reported race, perceived SES, and perceived social mobility caution against any overly-ambitious claims.

 $<sup>^{11}</sup>$ The corresponding 95% confidence intervals are [.12,.17] and [.32,.38].

determinants of economic success. Likewise, perceived intragenerational mobility also favors individualistic views about wealth, but perceived intergenerational mobility does not present a significant effect. These results provide partial support for both theories: those that argue that beliefs about inequality stem from a desire for self-legitimation (Rytina et al., 1970; Kluegel and Smith, 1986) as well as those that claim that advantaged and disadvantaged groups perceive social constraints differently ( $H_1$  and  $H_4$ ). Although adjudication between these hypotheses is beyond the scope of our data, research on the case of Chile confirms that people with higher household income, as well as people with post-secondary education perceive more inequality than the rest of the population (Castillo, 2011).

Nonetheless, not all variables that indicate structural position have the same influence on beliefs about wealth. Although the effect of class is statistically insignificant, point estimates suggest an influence that stands in stark contrast to the predictions of the literature (Svallfors, 1993, 2006; Kreidl, 2000). Results show that the upper classes are more likely than the lower classes to hold structuralist beliefs about wealth, thus contradicting what we expected by  $H_2$ . In particular, unskilled workers show a greater likelihood of having individualistic views about the origins of wealth, while the professional class is more inclined toward structuralist beliefs. Experimental research reports a similar pattern for the effect of social class on the extent to which economic elites in Chile are perceived favourably by the population at large (Mac-Clure and Barozet, 2014). A plausible interpretation is that members of the classes closer to the affluent are more aware of the factors that explain affluence; such people may also have a more demanding definition of affluence, and therefore may not identify themselves as "rich". Similar results are found regarding the effect of education. While having an elementary or high school degree is linked with a higher propensity to hold individualistic beliefs, possessing a college degree increases the probability of holding structural views about wealth. These findings are partially in line with the "enlightenment hypothesis"  $(H_3)$ , which states that education generates a greater sense of awareness of social constraints (Robinson and Bell, 1978; Niemela, 2008; Kane and Kyyro, 2001). They could also indicate that people with less education perceive a larger distance in terms of skills and intellectual capacity with respect to the affluent, which may make them more prone to maintain meritocratic explanations of wealth. Note, however, that people with the lowest level of education (viz., less than elementary) are not the most inclined to hold individualistic views.

As for the effect of demographic characteristics, the findings show that females are generally more likely to have individualistic views about wealth, while an increase in age is connected with a proportional decrease in the odds of having individualistic views about the origins of wealth. Because of the cross-sectional nature of the data, it is not possible to attribute this association to an age effect or to a birth-cohort effect. A surprising result, yet consistent with the evidence found for Latin American countries, is that no differences are observed across perceived racial groups. Some scholars attribute these results to the effect of the historical narrative of mestizaje, which may have blurred the salience of race-based social disparities (Telles and Bailey, 2013).

Finally, a salient finding of this model is that differences of beliefs between countries are robust, consistent, and significant, even after controlling for socioeconomic and demographic characteristics of individuals. This suggests that not only individual characteristics but also country-level factors drive beliefs about the causes of wealth in these societies.

 ${\it Table 3: Multinomial Logit Regression predicting Beliefs about Wealth}$ 

	Table 3: Multinomial Logit		vs Individualistic		Individualistic
Education	Less than elementary	.09	(.11)	.17	(.17)
	Elementary	35***	(.08)	06	(.06)
	High School	17***	(.04)	19*	(.08)
	BA or more	.42***	(.05)	.08	(.07)
Occupational Class	NILF	08	(.10)	.03	(.04)
	Unskilled Worker	28**	(.10)	15	(.10)
	Skilled Worker	13	(.10)	09	(.08)
	Small Owner	02	(.06)	03	(.06)
	Non-manual Routine	.16*	(.08)	.06	(.07)
	Professional	.34	(.19)	.19	(.14)
Perceived SES	SES	09*	(.04)	.01	(.02)
	${ m SES^2}$	01	(.01)	01	(.01)
Perceived Mobility	Intra-gen. Mobility	08***	(.02)	03	(.02)
	Intra-gen. Mobility <sup>2</sup>	02	(.01)	01	(.01)
	SES*Intra-gen. Mobility	.03	(.02)	.02	(.02)
	Inter-gen. Mobility	.00	(.03)	03	(.02)
	Inter-gen. Mobility <sup>2</sup>	00	(.01)	.00	(.01)
	SES*Inter-gen. Mobility	00	(.02)	01	(.01)
Sex	Woman	14**	(.05)	08*	(.04)
	Man	.14**	(.05)	.08*	(.04)
Age	Age	.04**	(.02)	.05***	(.01)
	${ m Age^2}$	00**	(.00)	00***	(.00)
Race	White	.11	(.08)	.14*	(.05)
	Mestizo	12	(.07)	09	(.05)
	Indigenous	.03	(.17)	10	(.06)
	Black	01	(.09)	.06	(.08)
Country	Argentina	1.09***	(.03)	.34***	(.02)
	Brazil	.56***	(.03)	.33***	(.03)
	Chile	.31***	(.02)	.02	(.02)
	Colombia	.12***	(.02)	01	(.02)
	Guatemala	64***	(.04)	.09***	(.02)
	Mexico	08**	(.03)	15***	(.03)
	Peru	-1.36***	(.04)	62***	(.02)
	Constant	90***	(.10)	.37***	(.09)
	N	9141			
	N Cluster	7			
	$\ell\ell_0$	-9158.586			
	$\ell\ell_{max}$	-8751.797			
	$\mathbb{R}^2_p$	.044			

Robust standard errors in parentheses

<sup>\*</sup> p < 0.05, \*\* p < 0.01, \*\*\* p < 0.001

#### 4.2.2. A Model of Beliefs about Poverty

Table 4 reports results from a multinomial logit model of beliefs about the causes of poverty.

The model for poverty entails the same set of covariates included in the model for wealth, where coefficients corresponds to log-odd ratios of structuralist or mixed beliefs, as opposed to individualistic beliefs. In the case of poverty, the constant term reveals that the (cross-national) average person in the sample has an estimated probability of 0.12 of holding structuralist views and 0.36 of holding individualistic views about poverty. The difference between these probabilities is statistically significant<sup>12</sup>. These results are the basis for understanding the effect of the explanatory variables in the model.

As in the case of wealth, perceived socioeconomic status increases the likelihood of holding individualistic beliefs about poverty. In general, the higher a person considers their own economic status, the more likely they are to believe that laziness or moral deviation are the main reasons for living in poverty. This result is consistent with  $H_1$ . The other variables that measure social position show the opposite pattern: in general, being immediately above the most disadvantaged raises the likelihood of having individualistic views about poverty. Regarding education, and as predicted by the "enlightenment hypothesis"  $(H_3)$ , people with elementary or high school degrees appear to favor individualistic explanations of poverty, while people with either post-secondary or less that elementary education are more likely to maintain structuralist views about poverty. The effect of occupational class is clearer in this respect: members of the professional class generally hold structuralist beliefs, while all other classes are more inclined to explain poverty in individualistic terms. This is especially true for skilled workers and small owners, who are significantly more likely to maintain individualistic views about poverty, even though their material distance from the poor is not substantial. In the Latin American context, as in most developing countries, being a small owner or a manual worker is no guarantee against poverty - in fact, this condition is usually associated with social vulnerability (Portes and Hoffman, 2003; Fields, 2012; Jefferson, 2012). Finally, people who are not in the labor force appear to favor structuralist beliefs about poverty, similar to the professional class. These results are in stark opposition to our original hypthosis regarding the effect of class  $(H_2)$ .

In contrast with wealth, perceptions of social mobility have no impact on what people believe to be the main causes of poverty. That is, people who experience downward social mobility do not generally blame society for social disadvantages, and those who experience upward mobility do not generally punish others less fortunate, thus contradicting what we expected by  $H_4$ . Regarding demographic characteristics, gender and age do not produce any differences, while perceived race leads to a significant effect. As we expected by  $H_5$ , people who perceive themselves as whites or mestizos are less likely to maintain structuralist beliefs about poverty. Arguably, due to their own experience, whites and mestizos might underestimate the extent to which racial discrimination abates socioeconomic outcomes and opportunities. Finally, as in the case of wealth,

 $<sup>^{12}</sup>$ The corresponding 95% confidence intervals are [.10,.13] and [.34,.38].

differences between countries remain robust, consistent and significant after controlling by socioeconomic and demographic characteristics of individuals. Again, these findings indicate that not only individual characteristics but also country-level factors influence beliefs about the causes of poverty in a given society.

Differences and similarities are found when comparing the determinants of beliefs about wealth and poverty. One of the similarities is that perceived socioeconomic status has a similar effect on beliefs about both wealth and poverty: the lower an individual's socioeconomic status, the more likely they are to blame society for their deprivation. Similarly, the higher an individual's socioeconomic status, the more likely they are to attribute social advantages to personal merit. The effect of education stands in clear contrast to this, since having a very low or very high level of education is consistently associated with being more likely to hold structuralist views about wealth and poverty. A relatively similar pattern is observed in relation to occupational class. Another difference is that perceptions of social mobility influence beliefs about wealth, but not about poverty.

Finally, for both wealth and poverty, country-specific differences remain robust after controlling for individual characteristics, which indicates that beliefs about wealth and poverty also depend on country-level characteristics. Although these factors are unobserved in these models, previous literature on this issue suggests that characteristics of the social structure, such as inequality and social mobility levels, as well as the the type of welfare institutions in each country play a consequential role in shaping beliefs about stratification (Feagin, 1975; Kluegel et al., 1995; Larsen, 2008; Jaeger, 2009; Sachweh and Olafsdottir, 2010). Tentatively, fixed effects for both wealth and poverty may provide preliminary evidence against the hypothesis that people's beliefs reflect actual inequalities in society ( $H_6$ ). Argentina, the country most oriented towards structuralistic views about wealth and poverty, is less unequal, more mobile and less poor than Guatemala on Peru, the two countries most inclined toward individualistic explanations of wealth and poverty (De Ferranti, 2004). On the other hand, what Argentina, Brazil and Chile have in common is a relatively operational (what analysts have called a "potential") welfare state, while social security systems are inexistent or just emerging in Peru and Guatemala, where individualistic beliefs are prevalent (Marcel and Rivera, 2008). This result provide preliminary support for the hypothesis of a normative feedback between welfare institutions and beliefs about inequality ( $H_7$ ).

All the results reported in this section are robust to the IIA assumption, as the Multinomial Probit estimation yields consistent results. Additionally, the model for predicting responses to the statement "In this country, life achievements depend mainly on wealth and family prestige", which presumably captures the same type of views measured in the typology of beliefs about wealth, yields similar findings to those reported above (See Appendix: Tables 9, 10, 11).

Table 4: Multinomial Logit Regression predicting Beliefs about Poverty

		Structuralist	vs Individualistic	Mixed vs l	Individualistic
Education	Less than elementary	.25	(.16)	.06	(.09)
	Elementary	11	(.09)	.03	(.04)
	High School	27***	(.07)	07	(.05)
	BA or more	.13	(.12)	03	(.06)
Occupational Class	NILF	.19**	(.07)	.098	(.07)
	Unskilled Worker	13	(.11)	03	(.06)
	Skilled Worker	18*	(.09)	07	(.05)
	Small Owner	27*	(.12)	04	(.06)
	Non-manual Routine	.03	(.09)	.02	(.06)
	Professional	.36**	(.13)	.02	(.1)
Perceived SES	SES	13***	(.03)	04**	(.01)
	$\mathrm{SES}^2$	.01	(.01)	00	(.01)
Perceived Mobility	Intra-gen. Mobility	.00	(.05)	04	(.02)
	Intra-gen. Mobility $^2$	00	(.01)	00	(.01)
	SES*Intra-gen. Mobility	00	(.02)	.02	(.02)
	Inter-gen. Mobility	.01	(.01)	00	(.01)
	Inter-gen. $Mobility^2$	01	(.01)	01	(.01)
	SES*Inter-gen. Mobility	.01	(.01)	.01	(.01)
Sex	Woman	08	(.05)	03	(.04)
	Man	.08	(.05)	.03	(.04)
Age	Age	.00	(.01)	01	(.01)
	${ m Age^2}$	00	(.00)	.00	(.00)
Race	White	26**	(.09)	03	(.04)
	Mestizo	14*	(.07)	04	(.03)
	Indigenous	.30	(.18)	.06	(.04)
	Black	.10	(.06)	.02	(.06)
Country	Argentina	1.14***	(.06)	.36***	(.03)
	Brazil	.53***	(.03)	.54***	(.01)
	Chile	11***	(.02)	24***	(.02)
	Colombia	.27***	(.03)	.09***	(.01)
	Guatemala	80***	(.06)	.08***	(.02)
	Mexico	58***	(.02)	48***	(.02)
	Peru	45***	(.03)	35***	(.01)
	Constant	-1.13***	(.08)	.38***	(.04)
	N	9125			
	N Cluster	7			
	$\ell\ell_0$	-8701.680			
	$\ell\ell_{max}$	-8428.054			
	$\mathbb{R}^2_p$	.031			

Robust standard errors in parentheses

<sup>\*</sup> p < 0.05, \*\* p < 0.01, \*\*\* p < 0.001

# 4.3. Explaining Cross-Country Differences in the Distribution of Beliefs about Wealth and Poverty

The analysis of the determinants of beliefs about wealth and poverty sheds light on the factors that influence these variables at the individual level, providing an explanation as to why a person is more likely to maintain a certain type of beliefs about inequality. On their own, however, these results does not explain why these Latin American countries differ in the extent to which individualistic and structuralist explanations of wealth poverty are actually held. To address this question, the present section aims to explain these cross-country differences, by using counterfactual scenarios to isolate the relative impact of the explanatory factors on the distribution of beliefs in each country (as alluded to in Section 3.3). These scenarios simulate the expected distribution of beliefs about wealth and poverty in each country, under the assumption these distributions are uniquely determined by one predictor  $\lambda$  out of set of predictors included in the explanatory model. As such, they shed light on the degree to which the country-specific distribution of each predictor<sup>13</sup>, in combination with the correspondent effect, contributes to produce the observed cross-country differences in the distribution of beliefs about wealth and poverty.

<sup>&</sup>lt;sup>13</sup>Expressed as deviations from the cross-national sample mean. For example, Peru's average age might deviate downward from the cross-national mean, while Brazil's might deviate upward.

(b) Predicted\*, Wealth (a) Observed, Wealth (c) Observed, Poverty (d) Predicted\*, Poverty 

Figure 1: Observed and Predicted Distribution of Beliefs about Wealth and Poverty by Country

\*Simulated 95% Confidence Intervals through Bootstrap Monte Carlo Simulation

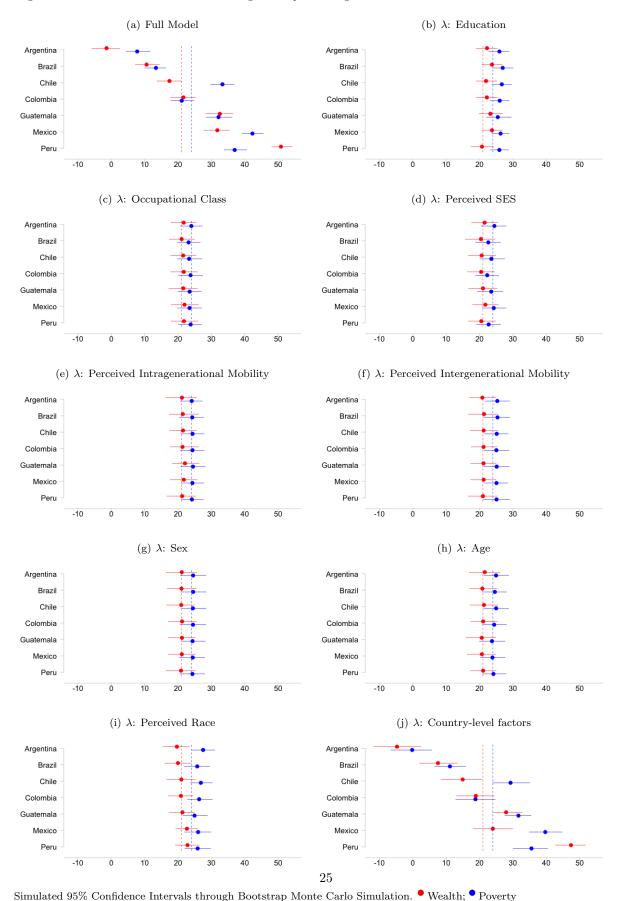
Figure 1 presents the observed distribution of beliefs about wealth and poverty in each country, as well as the distributions yielded by Models M3 and M4 (See Appendix: Tables 13 and 12). As observed, the explanatory model closely fits the data at the country-level. Figure 2 depicts the results of these simulations for wealth and poverty. The difference in the expected percentage of people holding individualistic vs structuralist explanations in each country under each scenario is reported. In interpreting the results we must remember that the estimated baseline probability of holding individualistic beliefs about wealth is .35 and the baseline probability of holding structuralist ones is .14. This implies that, for a given counterfactual scenario in a given country, a difference of about 21 percentage points between the proportion of the two types of beliefs will be obtained if the effect of the corresponding predictor is virtually zero, or if the distribution of the predictor in the country does not differ from its distribution in the cross-country sample. Regarding poverty, the estimated baseline probability of holding individualistic and structuralist views are .36 and .12 respectively. Therefore, a difference of 24 percentage points between the proportion of the two will obtain in the simulations if the conditions described above are met. Departures from these baselines inform us about

the impact of each predictor in shaping the distribution of beliefs in each country.

Regarding the distribution of beliefs about the causes of wealth, simulations involving individual level predictors do not produce any significant departure from the baseline. This result is valid for all countries. This means that the predicted distribution of beliefs under these scenarios does not present a substantial deviation from a situation in which all individuals' beliefs are identical to those of the average person in the cross-national sample. The reason for these resuls is two-fold: on the one hand, some of the variables that significantly effect beliefs about wealth do not vary enough across countries to produce cross-country differences in the distribution beliefs. Such is the case for SES, perceived intragenerational mobility and sex. On the other hand, variables that do vary across countries -such as education, social class and perceived race- exhibit offsetting effects. For example, Guatemala has both a higher share of people with less than elementary school and people whose highest degree is elementary school. Because the former are more inclined towards structuralist explanations of wealth, while the latter are more prone to individualistic accounts, this produces an offsetting effect. In sharp contrast, the scenario in which country-level factors are assumed as the only predictors produces substantial cross-country differences in the distribution of beliefs about wealth. Although these country-level factors are not observed in the data, they are captured by the fixed effect of each country. Compared to the baseline probabilities, this scenario yields a substantially higher incidence of structuralist beliefs about wealth in Argentina and Brazil, as well as a significantly higher incidence of individualistic views in Peru and Guatemala.

Regarding the distribution of views about poverty across countries, the simulation results present a pattern similar to that observed for the case of wealth. Although factors such as perceived SES, education and social class prove to be relevant for explaining variability in beliefs among individuals, these results show that they do not explain differences in the distribution of beliefs about poverty across countries. In most scenarios the predicted difference between the percentage of people holding individualistic and structuralist beliefs about poverty is not significantly different from 20 percentage points (in either direction), which is simply the baseline. As in the case of wealth, cross-country differences in the distribution of views about poverty occur only when country-level factors are assumed to be the only predictor. Under this scenario, Brazil, and especially Argentina, present a much lower proportion of people holding individualistic beliefs about poverty, when compared to the baseline. On the other hand, Mexico and Guatemala present a significantly higher proportion of people holding individualistic beliefs. Overall, results from these simulations show that all the countries analyzed present an unexplained higher incidence of individualistic explanations about poverty. This propensity, however, is weakened by unobserved country-level characteristics in the case of Argentina and Brazil, and reinforced in the cases of Mexico and Peru.

Figure 2: Simulated Difference in the Percentage of People Holding Individualist versus Structuralist Beliefs in each Country



Altogether, findings from the simulation show that observed differences between countries are only explained by country-level factors. These results also highlight that those factors that help explain beliefs about wealth and poverty at the individual-level are not necessarily consequential in shaping the distribution of these beliefs at the country-level.

#### 5. Discussion and Conclusion

Latin American countries present high levels of income inequality combined with limited levels of social mobility (De Ferranti, 2004; Torche, 2009; Fields, 2009; Torche, 2014). This article shows that, surprisingly, the notion of individual responsibility as the main determinant of economic status tends to prevail in public opinion, while the impact of structural factors is often under-reported. The empirical puzzle that motives this research is then: why, in countries where success or failure are strongly related to social origins, individuals tend to think of inequality as the result of people's own merits or faults, rather than as a consequence of structural constraints in their societies? In order to better understand these phenomena, this article investigates the factors that drive an individual's beliefs about the causes of wealth and poverty in seven Latin American countries. Several hypotheses regarding the influence of individual-level variables (such as education, social class, mobility experiences and race) are tested. In addition, the effect of country-level characteristics is also addressed. Moreover, this research examines cross-national differences in the distribution of beliefs about wealth and poverty.

Regarding individual-level factors, results provide only partial support for theories that maintain that the more advantaged the social position of an individual, the more likely they will be to hold beliefs that stress the importance of merit. While perceived higher socioeconomic status and upward intragenerational mobility are indeed associated with a higher likelihood of holding individualistic beliefs, education and occupational class present the opposite trend. In the case of education, findings are partially consistent with the "enlightenment hypothesis" (Robinson and Bell, 1978; Kane and Kyyro, 2001), which argues that education increases sensitivity to social constraints. Results show that having a bachelor degree (or less than elementary schooling) is associated with a higher likelihood of having structuralist beliefs, while lower educational levels are associated with a higher tendency to hold individualistic views. This finding is especially clear for explanations of wealth. Occupational class also exhibits an effect that is unexpected by the literature. In general, the findings show that the social classes immediately below the wealthy are more likely to delegitimize the origins of wealth (by providing structural accounts), while those classes immediately above the poor are more likely to delegitimize poverty (by attributing it to laziness and vices). Specifically, non-manual routine workers and professionals are the most likely to have structuralist beliefs about the origins of wealth, while skilled workers and small owners are the most likely to blame the poor for their condition. Meanwhile, the professional class favors structuralist views of poverty and, particularly, wealth. Finally, perceived race does not present an influence on beliefs about wealth, while whites and mestizos are more likely to have individualistic beliefs about poverty.

An additional finding of this research is that differences between countries remain robust, consistent and significant, even after controlling for individual level variables. These results highlight the importance of taking into account macro-social characteristics in order to understand the ways individuals explain the causes of economic differences in their societies. Although these factors are unobserved in the present analysis, fixed effects for wealth and poverty present tentative evidence against the hypothesis that beliefs reflect actual inequalities in a given society. Thus, Argentina, the most structurally oriented country, is less unequal, more mobile and less poor than Guatemala or Peru, the two countries with a higher incidence of individualistic explanations for poverty and wealth (De Ferranti, 2004). On the other hand, what Argentina, Brazil and Chile -the most structurally oriented countries- have in common is a "potential" welfare state, while social security systems are either inexistent or just emerging in Peru and Guatemala, the most individualistic countries (Marcel and Rivera, 2008). Further research is needed in order to test the claims forwarded here.

The second part of this research aims to explain the observed differences in the distribution of beliefs about wealth and poverty among the countries under study. Findings from counterfactual simulations reveal that cross-country variation is not due to country differences in the distribution of predictors but rather to unobserved country-level factors. These results further stress the relevance of looking at macro-social characteristics in order to understand the ways individuals explain economic differences in their societies. They also highlight the fact that factors that are relevant to explain variation in beliefs about inequality among individuals are not necessarily consequential to understand how prevalent they are at the country-level, or how the vary across countries.

To sum, these findings suggest the need for further research on this topic. In particular, our knowledge about the formation of beliefs about social inequality would benefit from experimental research able to identify the potential plurality of mechanisms at work behind the associations between an indivual's characteristics—such as perceived SES or education—and their beliefs about inequality. Future research would also benefit from extending the analysis to a larger and more heterogeneous set of countries, which would enable us to properly account for the influence of country-level factors.

#### References

- Alesina, A. and Angeletos, G.-M. (2005). Fairness and redistribution. *The American Economic Review*, 95(4):pp. 960–980.
- Alesina, A. and Giuliano, P. (2009). Preferences for redistribution. IZA Discussion Papers 4056, Institute for the Study of Labor (IZA).
- Alesina, A. and Glaeser, E. (2004). Fighting Poverty in the US and Europe: A World of Difference: A World. Rodolfo DeBenedetti Lectures. Oxford University Press, UK.
- Bailey, S. R. (2002). The race construct and public opinion: Understanding brazilian beliefs about racial inequality and their determinants. *American Journal of Sociology*, 108(2):pp. 406–439.
- Bailey, S. R. (2004). Group dominance and the myth of racial democracy: Antiracism attitudes in brazil. American Sociological Review, 69(5):728–747.
- Benabou, R. and Ok, E. A. (2001). Social mobility and the demand for redistribution: The pour hypothesis. The Quarterly Journal of Economics, 116(2):447–487.
- Benabou, R. and Tirole, J. (2006). Belief in a just world and redistributive politics. *The Quarterly Journal of Economics*, 121(2):699–746.
- Birdsall, N., Lustig, N., and Meyer, C. J. (2014). The strugglers: The new poor in latin america? World Development, 60(0):132 146.
- Breen, R. (2010). Social mobility and equality of opportunity. Vol. XX, No. XX, Issue, Year.
- Bullock, H. E. and Waugh, I. M. (2005). Beliefs about poverty and opportunity among mexican immigrant farm workers1. *Journal of Applied Social Psychology*, 35(6):1132–1149.
- Bullock, H. E., Williams, W. R., and Limbert, W. M. (2003). Predicting support for welfare policies: The impact of attributions and beliefs about inequality. *Journal of Poverty*, 7(3):35–56.
- Castillo, J. C. (2011). Legitimacy of inequality in a highly unequal context: Evidence from the chilean case. Social Justice Research, 24(4):314–340.
- De Ferranti, D. (2004). *Inequality in Latin America: Breaking With History?* World Bank Latin American and Caribbean Studies. World Bank.
- Ellemers, N., Jost, J., and Major, B. (2001). Individual upward mobility and the perceived legitimacy of intergroup relations. *The psychology of legitimacy*, pages 205–222.
- Erikson, R. and Goldthorpe, J. (1992). The Constant Flux: A Atudy of Class Mobility in Industrial Societies. Clarendon Press.

- Esping-Anderson, G. (1990). The Three Worlds of Welfare Capitalism. Princeton University Press.
- Feagin, J. R. (1972). Poverty: We still believe that god helps those who help themselves. *Psychology Today*, 6(6):101–110.
- Feagin, J. R. (1975). Subordinating the poor.
- Ferreira, F., Messina, J., Rigolini, J., Lopez-Calva, L., Lugo, M., Vakis, R., and Ló, L. (2012). *Economic Mobility and the Rise of the Latin American Middle Class*. Latin America and Caribbean Studies. World Bank Publications.
- Fields, G. (2009). Income mobility within a generation: An introduction to the state of the art in latin america. Research for public policy, RBLAC-UNDP, New York, NY.
- Fields, G. S. (2012). Working Hard, Working Poor: A Global Journey. Oxford University Press.
- Fong, C. (2001). Social preferences, self-interest, and the demand for redistribution. *Journal of Public Economics*, 82(2):225 246.
- Gijsberts, M. (2002). The legitimation of income inequality in state-socialist and market societies. Acta Sociologica, 45(4):269–285.
- Gijsberts, M. and Ganzeboom, H. B. (2001). El apoyo a los principios distributivos. una comparacin entre las sociedades socialistas y las sociedades de mercado (1987-1996). *Poltica y Sociedad*, 38.
- Giuliano, P. and Spilimbergo, A. (2009). Growing up in a recession: Beliefs and the macroeconomy. Technical report, National Bureau of Economic Research.
- Hadler, M. (2005). Why do people accept different income ratios? Acta Sociologica, 48(2):131–154.
- Haggard, S. and Kaufman, R. (2008). Development, Democracy, and Welfare States: Latin America, East Asia, and Eastern Europe. Princeton University Press.
- Homans, G. (1974). Social Behavior: Its Elementary Forms. International library of sociology and social reconstruction. Harcourt Brace Jovanovich.
- Hout, M. (2014). A Summary of What We Know about Social Mobility. The ANNALS of the American Academy of Political and Social Science, 657(January):27–36.
- Huber, E., Nielsen, F., Pribble, J., and Stephens, J. D. (2006). Politics and inequality in latin america and the caribbean. *American Sociological Review*, 71(6):943–963.
- Huber, J. and Form, W. H. (1973). Income and ideology: An analysis of the American political formula.

  Free Pr.

- Hunt, M. O. (1996). The individual, society, or both? a comparison of black, latino, and white beliefs about the causes of poverty. *Social Forces*, 75(1):293–322.
- Hunt, M. O. (2004). Race/ethnicity and beliefs about wealth and poverty\*. Social Science Quarterly, 85(3):827–853.
- Hunt, M. O. (2007). African american, hispanic, and white beliefs about black/white inequality, 1977-2004. American Sociological Review, 72(3):390–415.
- Jaeger, M. M. (2009). United but divided: Welfare regimes and the level and variance in public support for redistribution. *European Sociological Review*, 25(6):723–737.
- Jefferson, P. (2012). The Oxford Handbook of the Economics of Poverty. Oxford Handbooks in Economics. OUP USA.
- Kane, E. W. and Kyyro, E. K. (2001). For whom does education enlighten? Gender & Society, 15(5):710-733.
- Kluegel, J., Mason, D., and Wegener, B. (1995). Social Justice and Political Change: Public Opinion in Capitalist and Post-Communist States. Gesellschaften im Wandel / Societies in Transition. De Gruyter.
- Kluegel, J. and Smith, E. (1986). Beliefs about Inequality: Americans' Views of What Is and What Ought to Be. Walter De Gruyter Incorporated.
- Kluegel, J. R. and Smith, E. R. (1982). Whites' beliefs about blacks' opportunity. *American Sociological Review*, 47(4):pp. 518–532.
- Korpi, W. (2001). Contentious institutions: An augmented rational-action analysis of the origins and path dependency of welfare state institutions in western countries. *Rationality and Society*, 13(2):235–283.
- Kreidl, M. (2000). Perceptions of poverty and wealth in western and post-communist countries. *Social Justice Research*, 13:151–176. 10.1023/A:1007597807110.
- Larsen, C. A. (2008). The institutional logic of welfare attitudes: How welfare regimes influence public support. *Comparative Political Studies*, 41(2):145–168.
- Lepianka, D., Van Oorschot, W., and Gelissen, J. (2009). Popular explanations of poverty: A critical discussion of empirical research. *Journal of Social Policy*, 38(03):421–438.
- Linos, K. and West, M. (2003). Selfinterest, social beliefs, and attitudes to redistribution. readdressing the issue of crossnational variation. *European Sociological Review*, 19(4):393–409.
- Lipset, S. (1997). American Exceptionalism: A Double-Edged Sword. W.W. Norton.
- López-Calva, L. F., Rigolini, J., and Torche, F. (2012). Is there such thing as middle class values? class differences, values and political orientations in latin america. Discussion Paper series, Forschungsinstitut zur Zukunft der Arbeit 6292, Bonn. urn:nbn:de:101:1-201203145657.

- Mac-Clure, O. and Barozet, E. (2014). Judgments about inequality and economic elite among the middle classes: Discontents and sociology of critique. XVIII ISA World Congress of Sociology.
- Marcel, M. and Rivera, E. (2008). Regimenes de Bienestar en Amrica Latina. Uqbar Editores.
- Marx, K. and Engels, F. (1998 [1846]). The German ideology: including Theses on Feuerbach and Introduction to the critique of political economy. Prometheus Books New York.
- McCall, L. (2013). The undeserving rich: American beliefs about inequality, opportunity, and redistribution. Cambridge University Press.
- Niemela, M. (2008). Perceptions of the causes of poverty in finland. Acta Sociologica, 51(1):23-40.
- Oorschot, W. V. and Halman, L. (2000). Blame or fate, individual or social? European Societies, 2(1):1–28.
- Piketty, T. (1995). Social mobility and redistributive politics. The Quarterly Journal of Economics, 110(3):551–584.
- Portes, A. and Hoffman, K. (2003). La estructura de clases en america latina: composicion y cambios durante la era neoliberal. *Desarrollo Economico*, 43(171):pp. 355–387.
- Robinson, R. V. and Bell, W. (1978). Equality, success, and social justice in england and the united states. American Sociological Review, 43(2):pp. 125–143.
- Ryan, W. (1976). Blaming the victim, volume 226. Random House Digital, Inc.
- Rytina, J. H., Form, W. H., and Pease, J. (1970). Income and stratification ideology: Beliefs about the american opportunity structure. *American Journal of Sociology*, 75(4):pp. 703–716.
- Sachweh, P. (2011). The moral economy of inequality: popular views on income differentiation, poverty and wealth. *Socio-Economic Review*.
- Sachweh, P. and Olafsdottir, S. (2010). The welfare state and equality? stratification realities and aspirations in three welfare regimes. *European Sociological Review*.
- SAS-Institute (2008). SAS/STAT 9.2 User's Guide: The Glimmix Procedure (Book Excerpt). SAS Institute.
- Snijders, T. and Bosker, R. (2011). Multilevel Analysis: An Introduction to Basic and Advanced Multilevel Modeling. SAGE Publications.
- Stephenson, S. (2000). Public Beliefs in the Causes of Wealth and Poverty and Legitimization of Inequalities in Russia and Estonia. *Social Justice Research*, (2):83–100.
- Svallfors, S. (1993). Dimensions of inequality: A comparison of attitudes in sweden and britain. *European Sociological Review*, 9(3):pp. 267–287.

- Svallfors, S. (2006). The Moral Economy of Class: Class and Attitudes in Comparative Perspective. Studies in Social Inequality. Stanford University Press.
- Telles, E. and Bailey, S. (2013). Understanding latin american beliefs about racial inequality. *American Journal of Sociology*, 118(6):pp. 1559–1595.
- Telles, E. and Paschel, T. (2014). Who Is Black, White, or Mixed Race? How Skin Color, Status, and Nation Shape Racial Classification in Latin America 1. American Journal of Sociology, 120(3):864–907.
- Torche, F. (2009). Sociological and economic approaches to the intergenerational transmission of inequality in latin america. Research for public policy, RBLAC-UNDP, New York, NY.
- Torche, F. (2014). Intergenerational Mobility in Latin America. Annual Review of Sociology, 40(1):null.
- UNESCO. International Standard Classification of Education, ISCED.
- Villarreal, A. (2010). Stratification by skin color in contemporary mexico. *American Sociological Review*, 75(5):652–678.
- Wegener, B. and Liebig, S. (1995). Dominant ideologies and the variation of distributive justice norms: A comparison of east and west germany, and the united states. *Social justice and political change: Public opinion in capitalist and post-communist states*, 3:239.

# Appendices

Table 5: Beliefs about Wealth in Latin-American countries

	Arge	entina	Br	azil	Cł	nile	Colo	mbia	Guat	emala	Me	xico	Pe	eru	To	tal
%	$1^{st}$	$2^{nd}$														
Initiative and hard work	26	33	35	33	33	36	33	35	51	34	47	39	46	43	38	36
Abilities and personal talent	18	21	19	23	22	26	27	27	17	30	19	26	30	32	22	26
Money inherited by the family	41	16	37	16	30	12	27	14	22	14	21	12	13	9	27	13
Influence or social contacts	15	30	9	28	15	26	14	24	9	22	13	23	12	15	12	24
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Question: "Which of the following reasons is the most important for a person to have a lot of money in this country?"

 $\mathbf{1}^{st}$  means the most important and  $\mathbf{2}^{nd}$  means the second most important.

Source: ECosociAL Survey 2007

Table 6: Beliefs about Poverty in Latin-American countries

	Arge	entina	$\operatorname{Br}$	azil	Cł	nile	Colo	mbia	Guat	emala	Me	xico	Ре	eru	То	tal
%	$1^{st}$	$2^{nd}$	$1^{st}$	$2^{nd}$	$1^{st}$	$2^{nd}$	$1^{st}$	$2^{nd}$	$1^{st}$	$2^{nd}$	$1^{st}$	$2^{nd}$	$1^{st}$	$2^{nd}$	$1^{st}$	$2^{nd}$
Vice and alcoholism	16	30	18	35	22	41	23	33	29	37	23	45	22	38	22	37
Laziness and lack of initiative	32	29	35	28	42	29	38	28	36	29	49	25	48	28	40	28
Their parents are poor too	37	15	26	12	21	9	18	12	20	10	15	9	15	10	22	11
Social Discrimination	15	26	21	25	15	21	21	28	15	23	13	21	14	24	17	24
Total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Question: "Which of the following reasons is the most important to be poor in this country?"

 $\mathbf{1}^{st}$  means the most important and  $\mathbf{2}^{nd}$  means the second most important.

Source: ECosociAL Survey 2007

 $\underline{\text{Table 7: Ordered Logit Regression predicting Beliefs about Wealth and Detailed Brant Test}$ 

		β	t	$\chi^2$	$p > \chi^2$
Education	Less than Elementary	· ·	· ·	,,	Ι · Λ
	Elementary	0.325	3.691	0.413	0.813
	High School	0.312	3.125	3.131	0.209
	BA or more	-0.056	-0.478	4.135	0.127
Occupational Class	NILF				
- · · · · · · · · · · · · · · · · · · ·	Unskilled Worker	0.148	1.653	2.983	0.225
	Skilled Worker	0.013	0.118	4.714	0.095
	Small Owner	-0.064	-0.767	9.052	0.011
	Non-manual Routine	-0.145	-2.186	2.917	0.233
	Professional	-0.170	-1.118	0.820	0.664
Perceived SES	SES	-0.017	-0.212	0.732	0.693
	${ m SES}^2$	0.005	0.557	0.524	0.770
Perceived Mobility	Intra-gen. Mobility	0.117	2.424	0.215	0.898
v	Intra-gen. Mobility <sup>2</sup>	0.010	1.585	0.603	0.740
	Inter-gen. Mobility	-0.025	-0.524	4.854	0.088
	Inter-gen. Mobility <sup>2</sup>	-0.001	-0.242	3.030	0.220
	SES*Intra-gen. Mobility	-0.017	-1.697	0.607	0.738
	SES*Inter-gen. Mobility	0.008	0.831	6.367	0.041
Sex	Woman				
	Man	-0.147	-2.168	1.884	0.390
Age	Age	-0.028	-3.301	19.968	0.000
	$\mathrm{Age^2}$	0.000	3.597	17.047	0.000
Race	White				
	Mestizo	0.143	2.789	4.687	0.096
	Indigenous	0.187	1.887	0.993	0.609
	Black	0.039	0.970	3.904	0.142
Country	Argentina				
	Brazil	0.338	22.063	9.928	0.007
	Chile	0.473	21.963	1.181	0.554
	Colombia	0.652	28.316	2.776	0.250
	Guatemala	0.828	29.134	40.898	0.000
	Mexico	0.805	18.826	2.996	0.224
	Peru	1.431	35.725	14.475	0.001
	Cut 1	-0.864	-3.823		
	Cut 2	0.534	2.458		
	Cut 3	1.500	7.836		
	N	9141			
	Brant $\chi^2$	162.4			
	Brant df	56			
	Brant $p$	2.66e-12			

Table 8: Ordered Logit Regression predicting Beliefs about Poverty and Detailed Brant Test

		β	t	$\chi^2$	$p > \chi^2$
Education	Less than Elementary				
	Elementary	0.133	1.182	1.531	0.465
	High School	0.201	1.752	1.474	0.478
	BA or more	0.014	0.122	0.404	0.817
Occupational Class	NILF				
	Unskilled Worker	0.163	2.044	1.119	0.571
	Skilled Worker	0.184	1.818	0.297	0.862
	Small Owner	0.222	1.927	3.528	0.171
	Non-manual Routine	0.082	1.019	0.154	0.926
	Professional	-0.021	-0.298	0.930	0.628
Perceived SES	SES	0.124	3.251	2.533	0.282
	${ m SES^2}$	-0.005	-1.245	0.838	0.658
Perceived Mobility	Intra-gen. Mobility	0.073	1.183	5.305	0.070
	Intra-gen. Mobility $^2$	-0.002	-0.362	0.818	0.664
	Inter-gen. Mobility	0.009	0.293	0.978	0.613
	Inter-gen. $Mobility^2$	0.009	3.246	2.443	0.295
	SES*Intra-gen. Mobility	-0.012	-1.053	2.697	0.260
	SES*Inter-gen. Mobility	-0.003	-0.520	0.594	0.743
Sex	Woman				
	Man	-0.117	-2.073	1.525	0.466
Age	Age	0.005	0.735	2.495	0.287
	$\mathrm{Age^2}$	0.000	0.262	2.851	0.240
Race	White				
	Mestizo	-0.055	-1.042	0.698	0.706
	Indigenous	-0.282	-2.989	3.928	0.140
	Black	-0.150	-2.490	2.561	0.278
Country	Argentina				
	Brazil	0.241	6.072	35.024	0.000
	Chile	0.797	16.862	4.764	0.092
	Colombia	0.568	12.998	5.918	0.052
	Guatemala	0.809	15.801	44.253	0.000
	Mexico	1.145	18.399	2.734	0.255
	Peru	1.062	18.961	5.687	0.058
	Cut 1	-1.521	-7.050		
	Cut 2	0.136	0.756		
	Cut 3	1.160	6.467		
N	9125				
Brant $\chi^2$	149.6				
Brant df	56				
Brant $p$	1.82e-10				

 ${\it Table 9: Multinomial Probit Regression predicting Beliefs about Wealth}$ 

	Table 9: Multinomiai Frobi		vs Individualistic		ndividualistic
Education	Less than elementary	.07	(.068)	.145	(.142)
	Elementary	245***	(.047)	044	(.055)
	High School	125***	(.03)	159*	(.067)
	BA or more	.300***	(.039)	.058	(.057)
Occupational Class	NILF	056	(.068)	.024	(.030)
	Unskilled Worker	206**	(.076)	125	(.086)
	Skilled Worker	098	(.062)	069	(.067)
	Small Owner	018	(.041)	028	(.052)
	No-manual Routine	.117*	(.059)	.053	(.051)
	Professional	.261	(.134)	.144	(.110)
Perceived SES	SES	059	(.03)	.008	(.012)
	${ m SES^2}$	008	(.009)	006	(.006)
Perceived Mobility	Intra-gen. Mobility	052***	(.014)	02	(.017)
	Intra-gen. Mobility <sup>2</sup>	011	(.009)	005	(.006)
	SES*Intra-gen. Mobility	001	(.02)	024	(.015)
	Inter-gen. Mobility	001	(.007)	.001	(.006)
	Inter-gen. Mobility <sup>2</sup>	.02	(.011)	.018	(.013)
	SES*Inter-gen. Mobility	004	(.014)	008	(.011)
Sex	Woman	107**	(.04)	064*	(.029)
	Man	.107**	(.04)	.064*	(.029)
Age	Age	.031**	(.011)	.039***	(.007)
	${ m Age^2}$	000***	(.000.)	000***	(.000)
Race	White	.08	(.054)	.116**	(.045)
	Mestizo	096	(.049)	075	(.042)
	Indigenous	.016	(.108)	089	(.053)
	Black	000	(.063)	.049	(.066)
Country	Argentina	.785***	(.019)	.266***	(.018)
	Brazil	.401***	(.024)	.277***	(.026)
	Chile	.201***	(.015)	.016	(.019)
	Colombia	.067***	(.012)	002	(.013)
	Guatemala	421***	(.025)	.082***	(.018)
	Mexico	073***	(.02)	124***	(.025)
	Peru	961***	(.032)	515***	(.020)
	Constant	.093	(.232)	1.103***	(.139)
	N	9141.000	. , ,		
	N Cluster	7.000			
	$\ell\ell_{max}$	-875.899			

Robust standard errors in parentheses

<sup>\*</sup> p < .05, \*\* p < .01, \*\*\* p < .001

Table 10: Multinomial Probit Regression predicting Beliefs about Poverty

		Structuralist	vs Individualistic	Mixed vs I	ndividualistic
Education	Less than elementary	.164	(.094)	.049	(.075)
	Elementary	072	(.061)	.025	(.031)
	High School	177***	(.051)	05	(.044)
	BA or more	.085	(.086)	023	(.047)
Occupational Class	NILF	.136**	(.047)	.082	(.057)
	Unskilled Worker	093	(.072)	024	(.048)
	Skilled Worker	134*	(.058)	056	(.045)
	Small Owner	173*	(.082)	034	(.048)
	No-manual Routine	.017	(.065)	.014	(.050)
	Professional	.246**	(.094)	.019	(.075)
Perceived SES	SES	089***	(.024)	030**	(.010)
	$\mathrm{SES}^2$	.007	(.008)	003	(.007)
Perceived Mobility	Intra-gen. Mobility	.001	(.03)	029	(.017)
	Intra-gen. Mobility <sup>2</sup>	000	(.009)	001	(.005)
	SES*Intra-gen. Mobility	.005	(.01)	003	(.010)
	Inter-gen. Mobility	005	(.004)	009	(.005)
	Inter-gen. Mobility <sup>2</sup>	.001	(.014)	.018	(.014)
	SES*Inter-gen. Mobility	.007	(.009)	.005	(.011)
Sex	Woman	059	(.03)	027	(.032)
	Man	.059	(.03)	.027	(.032)
Age	Age	.002	(.008)	008	(.008)
	$\mathrm{Age^2}$	.000	(.000)	.000	(.000)
Race	White	174**	(.061)	024	(.031)
	Mestizo	094*	(.044)	034	(.028)
	Indigenous	.195	(.109)	.049	(.040)
	Black	.073*	(.035)	.009	(.048)
Country	Argentina	.791***	(.038)	.287***	(.022)
	Brazil	.379***	(.017)	.449***	(.010)
	Chile	103***	(.013)	200***	(.013)
	Colombia	.183***	(.016)	.079***	(.008)
	Guatemala	495***	(.032)	.076***	(.016)
	Mexico	428***	(.014)	404***	(.014)
	Peru	326***	(.018)	287***	(.007)
	Constant	589***	(.166)	.248	(.183)
	N	9125.000	. ,		
	N Cluster	7.000			
	$\ell\ell_{max}$	-8429.483			

Robust standard errors in parentheses

<sup>\*</sup> p < .05, \*\* p < .01, \*\*\* p < .001

Table 11: Robustness check: "In this country what one can achieve in life depends mainly on wealth and the surname of family". Answers ranges from "strongly agree" (1) to "strongly disagree" (5).

		OLS		Ordered Logit	
Education	Less than Elementary				
	Elementary	.194	(.107)	.317	(.184)
	High School	.210	(.109)	.343	(.187)
	BA or more	.245	(.133)	.405	(.225)
Occupational Class	NILF				
	Unskilled Worker	042	(.041)	075	(.062)
	Skilled Worker	.072	(.082)	.109	(.128)
	Small Owner	.022	(.043)	.034	(.069)
	No-manual Routine	.086	(.050)	.137	(.080)
	Professional	008	(.082)	015	(.127)
Perceived SES	Perceived SES	.032*	(.013)	.050**	(.019)
	$SES^2$	001	(.009)	003	(.016)
Perceived Mobility	Intra-gen. Mobility	012	(.007)	018	(.012)
	Intra-gen. $Mobility^2$	.007	(.005)	.013	(.008
	SES*Intra-gen. Mobility	013	(.007)	023	(.012)
	Inter-gen. Mobility	.002	(.012)	.004	(.019
	Inter-gen. Mobility $^2$	005	(.003)	010*	(.005)
	SES*Inter-gen. Mobility	.008	(.010)	.015	(.018
Sex	Woman				
	Man	070	(.032)	112*	(.049
Age	Age	011	(.009)	018	(.014
	$\rm Age^2$	.000	(.000)	.000	(.000.)
Race	White				
	Mestizo	015	(.037)	027	(.058)
	Indigenous	.026	(.074)	.042	(.113
	Black	.003	(.037)	.003	(.061
Country	Argentina				
	Brazil	093**	(.025)	140***	(.037
	Chile	.132***	(.022)	.201***	(.033
	Colombia	.164***	(.027)	.253***	(.045)
	Guatemala	.113*	(.037)	.180**	(.059)
	Mexico	.401***	(.030)	.641***	(.056)
	Peru	.487***	(.033)	.755***	(.058
	Constant	2.541***	(.131)		
	Cut 1			-1.554**	(.197
	Cut 2			.507*	(.237
	Cut 3			.806**	(.228
	Cut 4			3.486***	(.271)
	N	9218		9218	
	N Cluster	7		7	
	$\ell\ell_0$	-14671.597		-12243.065	
	$\ell\ell_{max}$	-14514.434		-12086.004	
	$R_p^2$			.013	

Standard errors in parentheses

<sup>\*</sup> p < 0.05, \*\* p < 0.01, \*\*\* p < 0.001

Table 12: Simulated Distribution of Beliefs about Poverty

	Arge	ntina	Bra	azil	Cł	nile	Colo	mbia	Guat	emala	Me	xico	Pe	eru
	S	I	S	I	S	I	S	I	S	I	S	I	S	I
Full Model	0.20	0.27	0.12	0.26	0.10	0.44	0.13	0.34	0.05	0.37	0.08	0.50	0.09	0.46
$\lambda$ : Country-level factors	0.25	0.24	0.14	0.25	0.12	0.41	0.14	0.33	0.05	0.37	0.09	0.48	0.09	0.45
$\lambda$ : Education	0.11	0.37	0.10	0.37	0.11	0.37	0.11	0.37	0.11	0.36	0.11	0.37	0.11	0.37
$\lambda$ : Occupational Class	0.12	0.36	0.12	0.35	0.12	0.35	0.12	0.35	0.12	0.35	0.12	0.35	0.12	0.35
$\lambda$ : Perceived SES	0.12	0.36	0.12	0.35	0.12	0.35	0.13	0.35	0.12	0.35	0.12	0.36	0.12	0.35
$\lambda \colon$ Perceived Intra. Mobility	0.11	0.35	0.11	0.35	0.12	0.36	0.11	0.36	0.12	0.36	0.12	0.36	0.12	0.36
$\lambda$ : Perceived Inter. Mobility	0.12	0.37	0.12	0.37	0.12	0.37	0.12	0.37	0.12	0.37	0.12	0.37	0.12	0.37
$\lambda$ : Gender	0.12	0.36	0.12	0.36	0.12	0.36	0.12	0.36	0.12	0.36	0.12	0.36	0.12	0.36
$\lambda$ : Age	0.11	0.36	0.12	0.36	0.12	0.36	0.12	0.36	0.12	0.36	0.12	0.36	0.12	0.36
λ: Perceived Race	0.10	0.37	0.11	0.37	0.10	0.37	0.11	0.37	0.11	0.36	0.11	0.37	0.11	0.37

I: Individualistic Beliefs, S: Structuralist Beliefs.

Table 13: Simulated Distribution of Beliefs about Wealth

	Argentina		Brazil		Chile		Colombia		Guatemala		Mexico		Peru	
	S	I	S	I	S	I	S	I	S	I	S	I	S	I
λ: Full Model	0.26	0.25	0.18	0.29	0.18	0.36	0.15	0.37	0.07	0.39	0.12	0.44	0.06	0.56
$\lambda$ : Country-level factors	0.29	0.24	0.19	0.27	0.18	0.33	0.16	0.35	0.08	0.36	0.14	0.38	0.06	0.53
$\lambda$ : Education	0.14	0.37	0.14	0.37	0.15	0.37	0.14	0.37	0.13	0.37	0.14	0.37	0.15	0.36
$\lambda$ : Occupational Class	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.36
$\lambda$ : Perceived SES	0.14	0.35	0.15	0.35	0.14	0.35	0.15	0.35	0.14	0.35	0.14	0.35	0.15	0.35
$\lambda \colon$ Perceived Intra. Mobility	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.36	0.14	0.35	0.14	0.35
$\lambda$ : Perceived Inter. Mobility	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35
$\lambda$ : Gender	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35
$\lambda$ : Age	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.35
λ: Perceived Race	0.14	0.34	0.14	0.34	0.14	0.35	0.14	0.35	0.14	0.35	0.14	0.36	0.14	0.36

I: Individualistic Beliefs, S: Structuralist Beliefs.