**How Markets Shape Social Values and Political Preferences: A Field Experiment**

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**Abstract:**

How does engagement with markets affect social values and political preferences?

A long line of thinkers has debated the nature and direction of such effects, but claims are difficult to assess empirically because market engagement is endogenous.

We designed a large field experiment to evaluate the impact of financial markets, which have grown dramatically in recent decades.

Participants from a national sample in England received substantial sums they could invest over a six-week period.

We assigned them into several treatments designed to distinguish between different theoretical channels of influence.

Results show that investment in stocks led to a more right-leaning outlook on issues such as merit and deservingness, personal responsibility and equality.

Subjects also shifted to the right on policy questions.

These results appear to be driven by growing familiarity with, and decreasing distrust of markets.

The spread of financial markets thus has important and under-appreciated political ramifications.