

## CONTEXTUAL EFFECTS OF SOCIAL STRATIFICATION ON TIME PREFERENCES IN HIGH SCHOOL

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**Abstract:** There is now little doubt that economic preferences are shaped by contextual factors, but how exactly this endogeneity works remains under debate. Previous studies suggest that the social structure, particularly social stratification, might have an impact on individual time preferences: more segregated, harsher environments are associated with a higher focus on the short term. Using a sample of nearly 3000 students from 13 high schools in Spain (ages 11-17, from 162 classrooms), we analyze the relationship between classroom (friendship) network structure and individual time preferences. We find that denser classroom networks are associated with lower discounting, whereas more fractionalized, segregated ones are associated with higher discounting. Our results indicate that small-world social dynamics have an impact on the development of economic preferences through social stratification processes