

# IAB-DiskAB

Invitation

## Temporal Stability of Time Preferences: A Survey Approach

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Although time preferences play a key role in economic modelling, the standard assumption of their temporal stability is still lacking proof. We want to close this gap by using a survey approach on time-discounting. Relying on the Dutch Household Survey and the German Socio-Economic Panel Data allows us to look at the long-term stability of two survey measures on time preferences, i.e. the consideration of future consequences scale and two ultra-short survey items on patience and impulsiveness. Due to their ability to explain time-discounting with respect to various domains, all measures have considerable behavioural validity. Therefore, they are ideally suited to complement standard laboratory methods to elicit discount factors. We observe a high intra-individual stability within all our measures. Their stability is, however, relatively low compared to other economic preferences or personality traits. A test on age trends does not identify any structural variation. Applying a timing of events analysis allows us to test stability with respect to various common life events. We find significant effects of changes in health, family and employment. All these effects are, nevertheless, temporarily only. Accordingly, despite our findings on instability, time preferences have a fixed, time-invariant element individuals return to after positive or negative experiences.

**Date:**

Tuesday,  
November 13, 2018

**Time:**

10:00 a.m.

**Venue:**

Regensburger Str. 100  
Room E10  
90478 Nürnberg