

Psychological Connectedness and Temporal Discounting

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Economists offer several reasons why a rational actor might choose to consume a smaller amount of some good now, rather than a larger amount later—most of which concern the way that time affects the probability or magnitude of utility conferred by a delayed consumption experience. Most of these accounts of rational choice argue, however, that the only person whose well-being cannot be ignored is one's own. So, rationality demands acting in a manner consistent with self-interest: acting to achieve one's own goals. Accordingly, a radically different view of what constitutes a person will have direct implications for rational choice. One account that differs radically from standard economic views is offered by Parfit (1984), who maintains that rationality does not require you to treat all parts of your life equally: He argues that personal identity consists of a series of partially-overlapping persons extending over time. One implication is not all descendant future selves are equally "you", and just as you are not rationally required to care as much about others' welfare as your own. So, too, if your descendent future self is sufficiently different in terms of personality, beliefs, and desires from your current self, you are not rationally required to care as much about your future self's welfare. Thus, impatience can be justified insofar as you anticipate changes in your psychological connectedness over time.

In the current studies, we test the influence of people's intuitions about the (in)stability of personal identity over time on their (im)patience for future utility. Studies 1 and 2 look at the relation between patience and psychological connectedness in people's judgments about their own future selves. Participants in these studies rate the connectedness between their present state and their likely state at different times in the future. They also make judgments about the equivalence of present and future goods. Correlations between these judgments help determine whether large decreases in connectedness are associated with greater impatience for benefits and burdens.

Studies 3-5 employ a more experimental approach. These studies describe a group of fictional characters who experience some potentially life-changing events, such as a religious conversion, that would normally decrease psychological connectedness. To separate the effect of these events from the passing of time, we balanced the life-changing events so that they happen to different characters at different points in the future. Participants made decisions on behalf of these characters about when they would receive benefits or costs, and we use these decisions to evaluate whether psychological connectedness has a unique role in determining whether to speed up or delay positive and negative outcomes. In contrast to the previous work on the topic that found no evidence for the relationship between connectedness and discounting (Frederick, 2003), we find evidence, in five studies, that when people anticipate large changes in psychological connectedness, they look relatively impatient—choosing to speed up the consumption of utility in both monetary and nonmonetary domains. Conversely, when they anticipate small changes, they appear more patient.