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Language group differences in time preferences: Evidence from primary school children in a bilingual city*

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Abstract

We study differences in intertemporal choices across language groups in an incentivized experiment with 1,154 children in a bilingual city. The sample consists of 86% of all primary school kids in Meran/Merano, where about half of the 38,000 inhabitants speak German, and the other half Italian, while both language groups live very close to each other. We find that German-speaking primary school children are about 16 percentage points more likely than Italian-speaking children to delay gratification in an intertemporal choice experiment. The difference remains significant in several robustness checks and when controlling for a broad range of factors, including risk attitudes, IQ, family background, or residential area. Hence, we are able to show that language group affiliation, which is often used as a proxy for culture, plays an important role in shaping economic preferences already early in life.

JEL-Code: C91, D03, D90

Keywords: Intertemporal choice, language, culture, children, experiment

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