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About delay aversion

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About Delay Aversion*

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Abstract

In this paper, we study the behaviour of decision makers who show preferences for advancing the timing of future satisfaction. We give two definitions that are representative of this kind of attitude and investigate their implications in (an intertemporal version of) three popular models used in decision theory: the Expected Utility, the Choquet Expected Utility and the MaxMin Expected Utility models. The first definition reveals interesting links with the theory studying the impossibility of aggregating infinite streams of income, while keeping both strong monotonicity and equality among all generations. Our second definition turns out to be a behavioural characterization of what Irving Fisher called impatience. Finally, we make a connection with the notion of domination of one stream of income over another, for all interest rates.

JEL Classification: D90.

Key words: Delay Aversion; Discounting; Impatience; Myopia.

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