Collective Time Preferences

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We examine collective decisions over streams of consumption. Agents all consume the same stream and evaluate it according to time discounted and smooth utility functions. We show that if agents differ in their time discount factors, then the only way to aggregate their preferences while satisfying unanimity and time-consistency conditions is by appointing a dictator, even when all agents have exactly the same instantaneous utility function. This implies that decision makers embodying several different "personalities" must be time inconsistent. We also show that aggregation via voting results in choices that violate transitivity despite the highly structured space of alternatives.

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