

Intergenerational Altruism and Child Development: Evidence from Longitudinal Data of Parent-Child Experiments

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Abstract

In this paper we report our results of joint decision makings with parent-child pairs in time preference experiments, using longitudinal data of repeated participants. Although the standard intergenerational altruism model, Barro-Becker model, predicts that parent completely accepts their child's decision when they make joint decisions, our results are different. Approximately 50% of all parents did not fully accept their child's decision in our experiment. We also found that the child who had parent having lower rate of time preferences than the child tended to decrease rate of time preferences after the first experiment. This evidence is consistent with a view that patience of their children are valued by many parents, and that parents are trying to influence their children's patience as in recent intergenerational altruism models.

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