

Activity: Consulting Your Future Self

Exploring Hyperbolic Discounting and Present Bias

Introduction

-In this activity, you'll consult with a 60-year-old future version of yourself —"The Future Me"—to explore how **present bias** and **hyperbolic discounting** can influence decision-making. By interacting with your future self, you'll gain insight into how present desires may impact your long-term goals and explore ways to make more balanced choices.

Key Concepts

- **Present Bias:** The tendency to overvalue immediate rewards at the expense of future benefits. This bias often leads us to make choices that prioritize instant gratification.
 - **Hyperbolic Discounting:** A model describing how people tend to prefer rewards that are closer in time, discounting the value of delayed rewards more heavily as the delay increases. This can lead to time-inconsistent preferences, where our current choices conflict with our long-term goals.
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Activity Steps

1. Think of a Decision Scenario

- Identify a decision where you're choosing between an immediate reward and a long-term benefit. Examples might include:
 - Studying now vs. watching TV
 - Saving money vs. spending it
 - Choosing healthy habits vs. indulgent options
 - Or any other decision where you feel pulled between short-term satisfaction and future goals.

2. Consult with "The Future Me"

- Log in to "The Future Me" GPT and describe your decision scenario. Share your thoughts, feelings, and any doubts you may have. As you interact with "The Future Me," approach the conversation as a genuine discussion. Focus on identifying

how **present bias** or **hyperbolic discounting** might be influencing your preference for the immediate option.

- Here are some example prompts to help guide your conversation:
 - "What would my 60-year-old self say about choosing [the immediate option]?"
 - "How might I feel in the future if I prioritize immediate satisfaction over long-term benefits?"
 - "How is present bias affecting my decision?"
 - "What are some strategies to manage present bias and stay focused on my goals?"

3. Reflect on Your Experience

- Use the questions below to reflect on insights gained from interacting with "The Future Me" and consider how these might inform your future decision-making.

Reflection Questions

1. Initial Preference and Present Bias

- What was your initial choice, and why did it feel like the right decision? After consulting with "The Future Me," did you notice any influence of present bias on this initial preference?

2. Perspective Shift

- How did hearing from your 60-year-old future self change your view of the immediate versus long-term benefits? What was the most significant factor that shifted your perspective?

3. Strategies for Future Decisions

- What strategies or insights did you gain to help manage present bias in future decisions? How might you apply these insights to similar choices going forward?

Summary

This activity is designed to help you recognize the role of present bias and hyperbolic discounting in your decision-making. By consulting with "The Future Me," you'll gain a more balanced perspective on choices involving immediate versus long-term rewards and learn strategies for managing these biases to make decisions that better align with your goals.