

Normally, economists imagine, equal experiences become less valuable as they recede further into the future. But some types of goods don't have that kind of relationship with future experiences. They can become more valuable as they extend farther into the future.

Take this blog post, for example. I'm really happy that you're reading it today. But it will be even cooler if someone reads it ten years from now. And it would be super cool if someone would read it a century from now. It's also true that some people are more valuable because of their past histories - something owned by your grandparents might mean more to you than an otherwise identical object without that history. Or both could be true - an heirloom might mean more because it belonged to your grandparents and will someday belong to your grandchildren.

What's going on here is a bit like a network externality. A phone is worth more, the more other people get phones. In the situation I'm discussing, it's as if a phone became more valuable the more people in the past and the future got phones.

It seems to me that many aspects of the environment have this property. For instance, one reason one might value wilderness would be that the wilderness experience connects us with much older parts of human history, and one might also want to preserve wilderness so that the same experience will be available far in the future, when some much of the manmade world will be radically different.

From an economic view-point, this increase in the value of future wilderness experience has implications for discounting. Although discounting may still be appropriate, it is partly countered by the growing value we might attach the wilderness experience of others that the farther they are in the future. The result would be a lower discount rate for goods of this kind as opposed to ordinary goods.

Or in simpler terms, the ability of some kinds of experiences to link us with the past and the future gives them an extra dimension of value, one that grows over time rather than falling.