

Resilient personality of cities could help in a recession

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In recent years, psychologists established that regions and cities differ in their prevalent personality make-up. The resilient personality of a city's residents could help determine whether cities bounce back or languish during a major recession, according to new research published in the peer-reviewed journal *Social Psychological and Personality Science*.

In a large-scale two-country study that is the first of its kind, researchers examined whether the severity of the economic downturn of the 2008-09 recession depended on regional personality profiles. To this end researchers studied the personality traits of more than 1.3 million residents from more than 700 cities in the United States and regions in Great Britain. Cities fared better, with more businesses starting despite the recession, in places where residents displayed a more resilient personality, characterized by stronger emotional stability and entrepreneurial personality profile. This entrepreneurial profile is defined as persons scoring at the same time higher on extraversion, openness to new experiences, emotional stability, and conscientiousness, and lower on agreeableness.

"Cities seem to respond quite differently to major economic shocks in terms of their economic behavior, and the personality of a region may play a critical role," said lead researcher Martin Obschonka, PhD, an assistant professor of psychology at Saarland University in Germany. "Much research on economic resilience has focused on regional economic infrastructure, but the entrepreneurial personality and emotional stability of a city's residents may be just as important in



determining whether cities suffer or thrive during a recession."

The results varied widely across the 366 U.S. cities in the study: Parts of California, southern Florida, and the Mountain states generally had higher entrepreneurial personality and emotional stability scores and weathered the recession well. San Luis Obispo-Paso Robles, Calif., had the highest score for entrepreneurial personality of the U.S. cities, while Elmira, NY, had the lowest score. For emotional stability, Jackson, Tenn. placed first while Michigan City-La Porte, Ind. ranked last.

Low emotional stability (or high neuroticism - the opposite of emotional stability) is characterized by anxiety, fear, envy and frustration. People high in emotional stability often respond to challenging situations, such as a recession, in a more positive, pro-active way than people low in emotional stability. The northern stretches of the East Coast, including New York City and Boston, bucked the trend found in the study by being more neurotic and less emotionally stable but still faring well during the recession.

In the U.S. cities, high regional scores for extraversion and low scores for agreeableness contributed to an entrepreneurial spirit, but that connection wasn't found in Great Britain. The researchers note that the study findings are correlational so that they cannot prove causal effects. Nevertheless, the researchers think that it is more likely that the regional personality affects the region's economic resilience than the other way around. "It probably would be difficult to boost a city's entrepreneurial personality and emotional stability because a city's personality is an ingrained element of local culture", Obschonka said. "Cities differ in their regional personality because of a wide range of patterns that have developed over decades or centuries, including formal and informal institutions such as local norms and attitudes that can't be changed overnight."



However, government economic programs could be tailored toward the specific personality of cities. "We may need to re-think the concept of regional economic resilience by considering the <u>personality</u> differences of cities instead of just focusing on infrastructure," Obschonka said.

Provided by Society for Personality and Social Psychology

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