



Personality, Economic Behavior, and Aging

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- “Despite the divergent worldviews of contemporary psychologists and economists, the two disciplines are essentially siblings separated at birth.”

Loewenstein et al (2008)

Recent Convergence of Personality Psychology and Economics

- “Non-cognitive” skills strongly predict schooling decisions, school performance, & wages (Heckman et al., 2006).
- Personality traits predict wages (Nyhus & Pons, 2005).
- Neuroticism and Extraversion predict saving less money (Nyhus & Webley, 2001).

Personality Traits Predict

- Mortality, Divorce, & Occupational Attainment as well or better than IQ and SES (Roberts et al., 2007).
- Conscientiousness is negatively associated with tax evasion behavior (Meints & Roberts, 2008).

Personality traits

- Also predict economic behaviors that might explain relations to larger issues such as wages and occupational attainment.

Personality Traits and Economic Behaviors

- Agreeableness predicts higher sharing in dictator games (Ben-Ner, Kong, & Putterman, 2004; Knafo et al, 2007).
- Tough-Mindedness and Independence predict demanding more and Neuroticism rejecting more offers in ultimatum bargaining decisions (Brandstatter & Konigstein, 2001).

Personality Traits and Economic Behaviors

- Impulsivity and Sensation Seeking predict risk taking (Zaleskiewicz, 2001).
- Self-Control predicts delay discounting behavior independent of IQ and SES (de Wit et al., 2007).

Age, Personality, and Economic Behavior

- Different personality traits may predict at different ages (Nyhus & Pons, 2005).
- Different economic behaviors have important age associations:
 - Retirement savings
 - Risk taking
 - Intertemporal choice
- Personality changes with age (Roberts et al., 2006).
- Confluence of age changes in personality and economic behavior.
- Economic behaviors and personality may be reciprocally related over time.