

Success may be a family affair

by Courtesy University of Bonn

A study has led researchers to speculate that career success may be partly genetic. The supposition rests in particular on two new findings, the investigators said: that willingness both to take risks and to trust fellow humans seem inherited. Since aptitude judgment in both areas are crucial to success in business and a range of other fields, that itself might be hereditary, they reasoned. The researchers admitted that circumstances also give rich kids a leg up, but argued that genes contribute. The study by the Institute for the Study of Labor and the University of Bonn, both in Bonn, Germany, was published online as part of a discussion paper series on the Institute's website. The researchers used data from a survey of 3,600 German parents and their children. On average the children were 25 years old; more than 40 percent were no longer living with their parents. In a willingness to take risks, children are as forthcomingly similar to their parents, said University of Bonn economist Armin Falk. "This is not only true for the overall estimate, but also for the different categories. There are people, for example, for whom no [slope] is too steep when skiing, but who invest their money in secure government bonds. An identical risk profile can often be found with their children." Things are similar with the willingness to trust, he added. "Of course our results are based on a survey," said Falk. "However, our experiments over the last few years have shown that self-assessment is very consistent with actual character traits." Genes that influence risk-taking have been reported in mice. In the Oct. 11, 2005 issue of Proceedings of the National Academy of Sciences, scientists described finding such a gene, called neuroD2. Falk's survey also found that women and their husbands also tend to have similar attitudes on trust and risk-taking. "Every economic decision is risky, whether it is about buying shares, building a house or just starting to study at university," Falk said. "On the other hand success in business also involves the right amount of trust." "If children are similar to their parents in their willingness to take risks and trust others, they will often make similar decisions in economic situations, too," Falk concluded. "Of course people who come from a rich family simply have better chances in life." Zurich economist Ernst Fehr recently compared the willingness to take risks among Americans and Germans, using the same set of questions. U.S. interviewees scored an average of 5.6, whereas Germans scored 4.4, noticeably more cautious, Falk said. "The U.S.A. is traditionally a country of immigration," he observed. "Probably it is particularly people who are prone to take risks that tend to emigrate; at least there is research pointing in this direction. Our results add to this, showing that the willingness to take risks is somehow inherited." This may explain the difference.

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