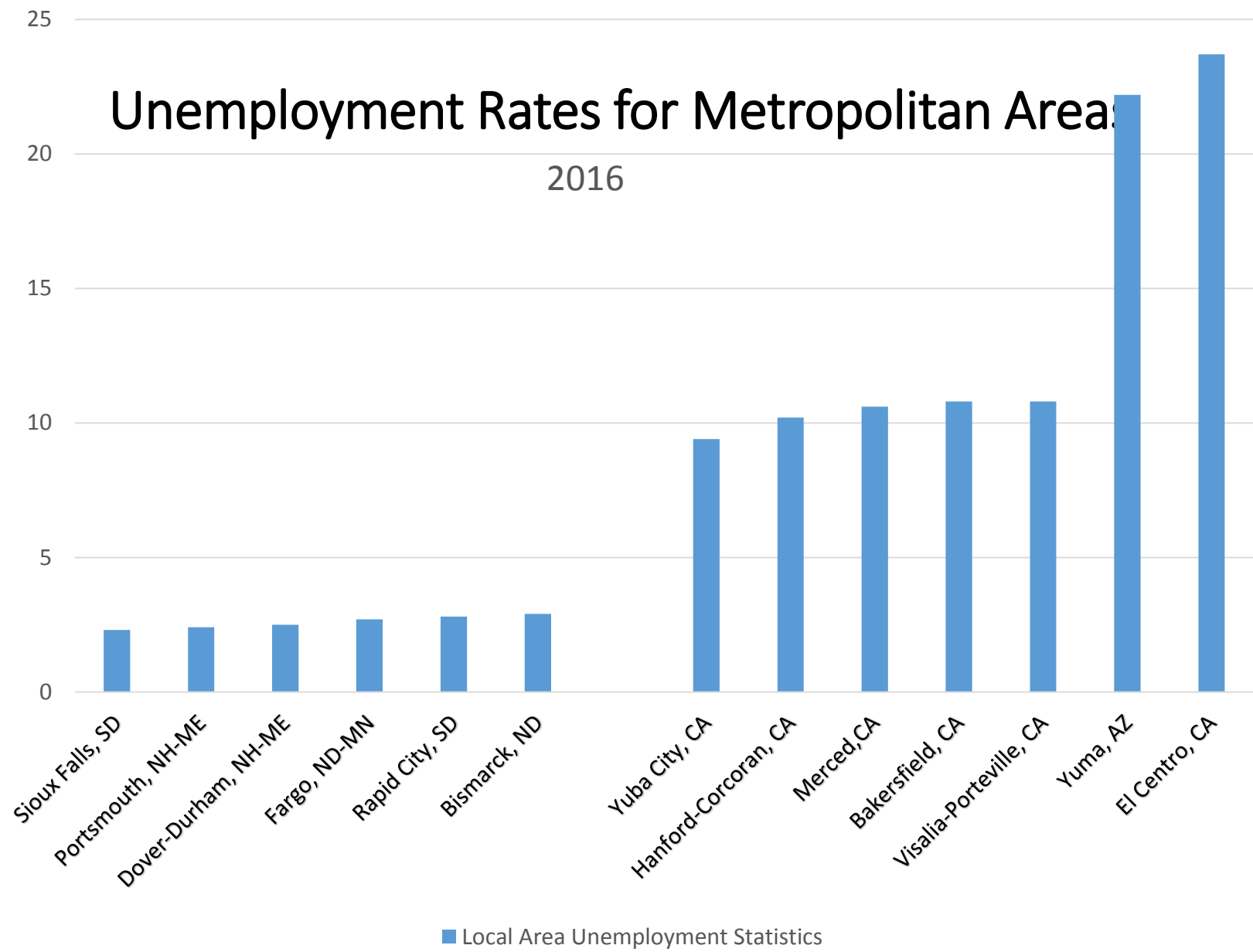


Understanding Place-Based Economic Performance

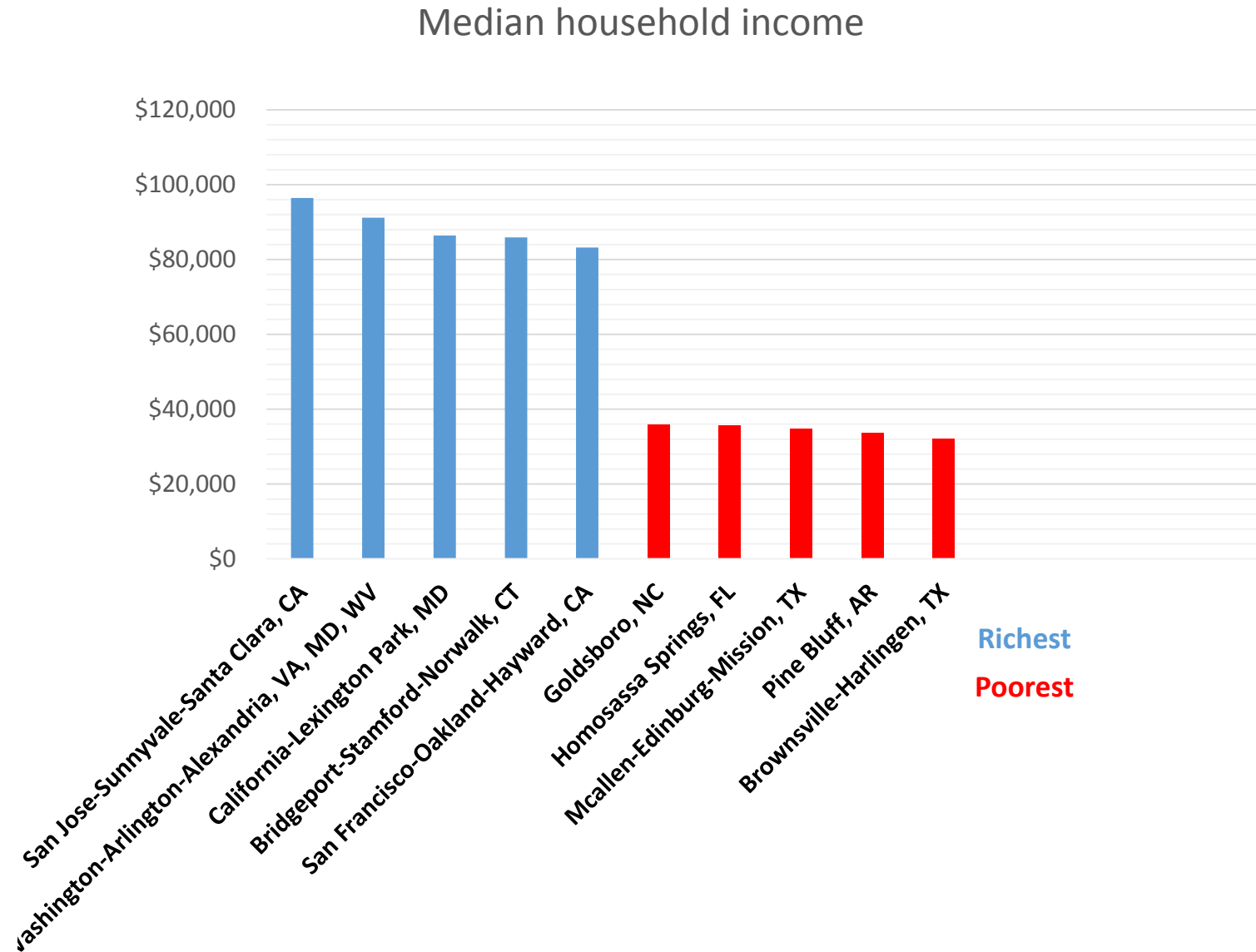
David B. Audretsch

Unemployment Rates for Metropolitan Area

2016



America's Richest and Poorest Cities



What Influences Place-Based Economic Performance?

“Combine liberal amounts of technology, entrepreneurs, capital, and sunshine. Add one (1) University. Stir vigorously.”

Gordon Moore, Founder, Intel

Factors & Resources

- Physical Capital
- Natural Resources
- Unskilled Labor
- Skilled Labor
- Human Capital
- Creative Class
- Knowledge

Spatial Structure & Organization

- Clusters
- Specialization
- Diversification
- Market Power
- Competition
- Entrepreneurship

Culture

--Saxenien, *Regional Advantage*, (Harvard University Press, 1994)

-- Acemoglu & Robinson, *Why Nations Fail: The Origins of Power, Prosperity* (Profile Books, 2012)

Human Dimension (Behavior)

- Networks, linkages & interactions – social capital (AnnaLee Saxenien, *Regional Advantage*, Harvard University Press, 1994)
- Leadership (Al Link, *A Generosity of Spirit*, Duke University Press, 1995)
- Identity & Image (Albert O. Hirschman, *Exit, Voice and Loyalty*, Harvard University Press, 1970)

Can Policy Make a Difference? Is Entrepreneurial Culture Endogenous or Exogenous?

- “Macropsychological Factors Predict Regional Economic Resilience During a Major Economic Crisis”

--Martin Obschonka, Michael Stuetzer, David B. Audretsch, Peter J. Rentfrow, Jeff Potter & Samuel D. Gosling, *Social Psychological and Personality Science*

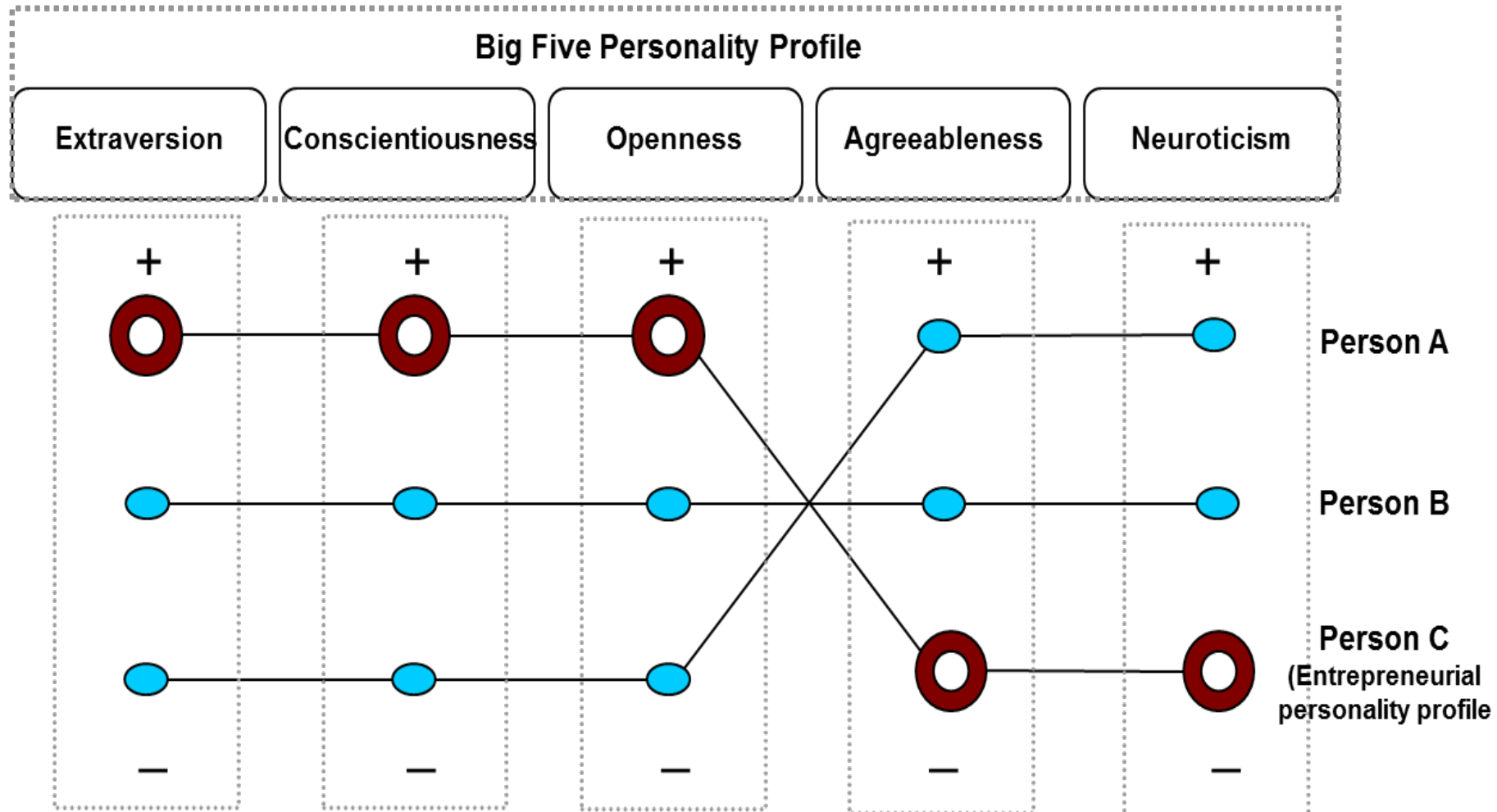
Data – Measuring Entrepreneurial Culture

- Individual Personality Traits
- Gosling-Potter-Internet-Project Measuring Personality Characteristics in the U.S., 2003-2009 ($N = 935,858$)

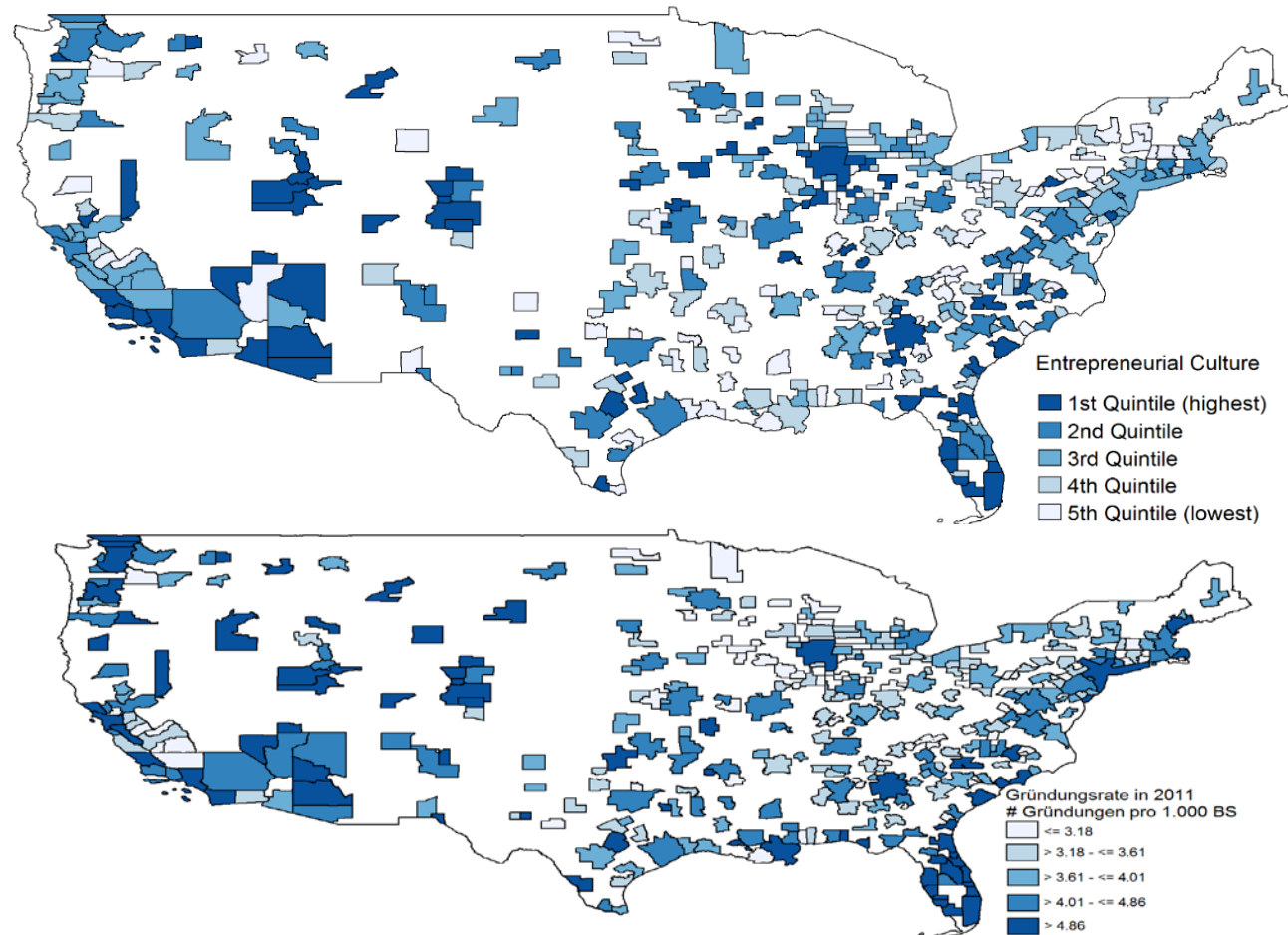
Measuring Entrepreneurship Culture

Factor	Weak expression	Strong expression	Correlation with entrepreneurship
Openness	conservative, cautious	Inventive, curious	0.36
Conscientiousness	Easy going, careless	Efficient, organised	0.45
Extraversion	Solitary, reserved	Outgoing, energetic	0.22
Agreeableness	Challenging, detached	Compassionate, friendly	- 0.16
Neuroticism	Secure, confident	Sensitive, nervous	- 0.37

Entrapreneurial Personality Profile

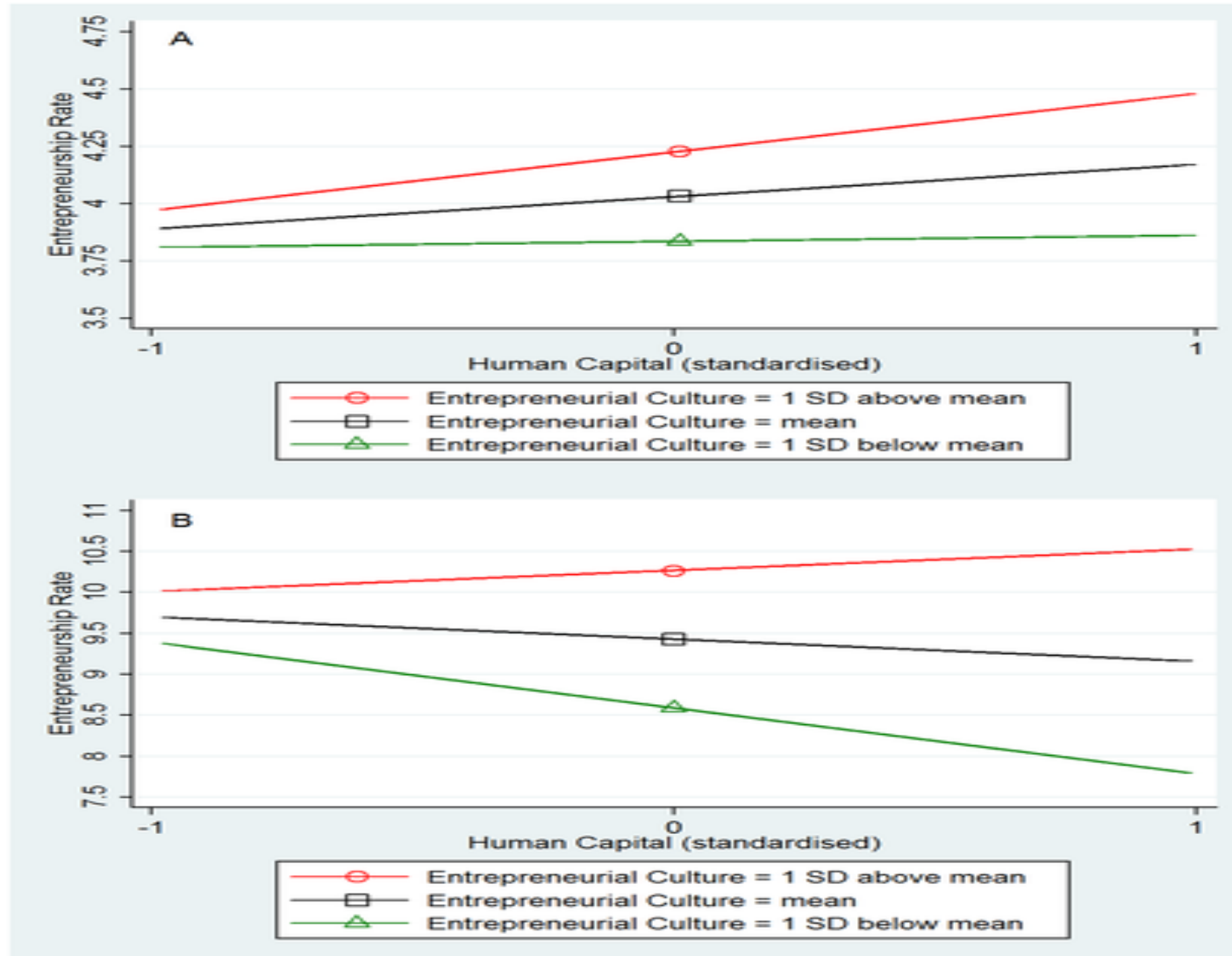


Entrepreneurial Culture of Cities

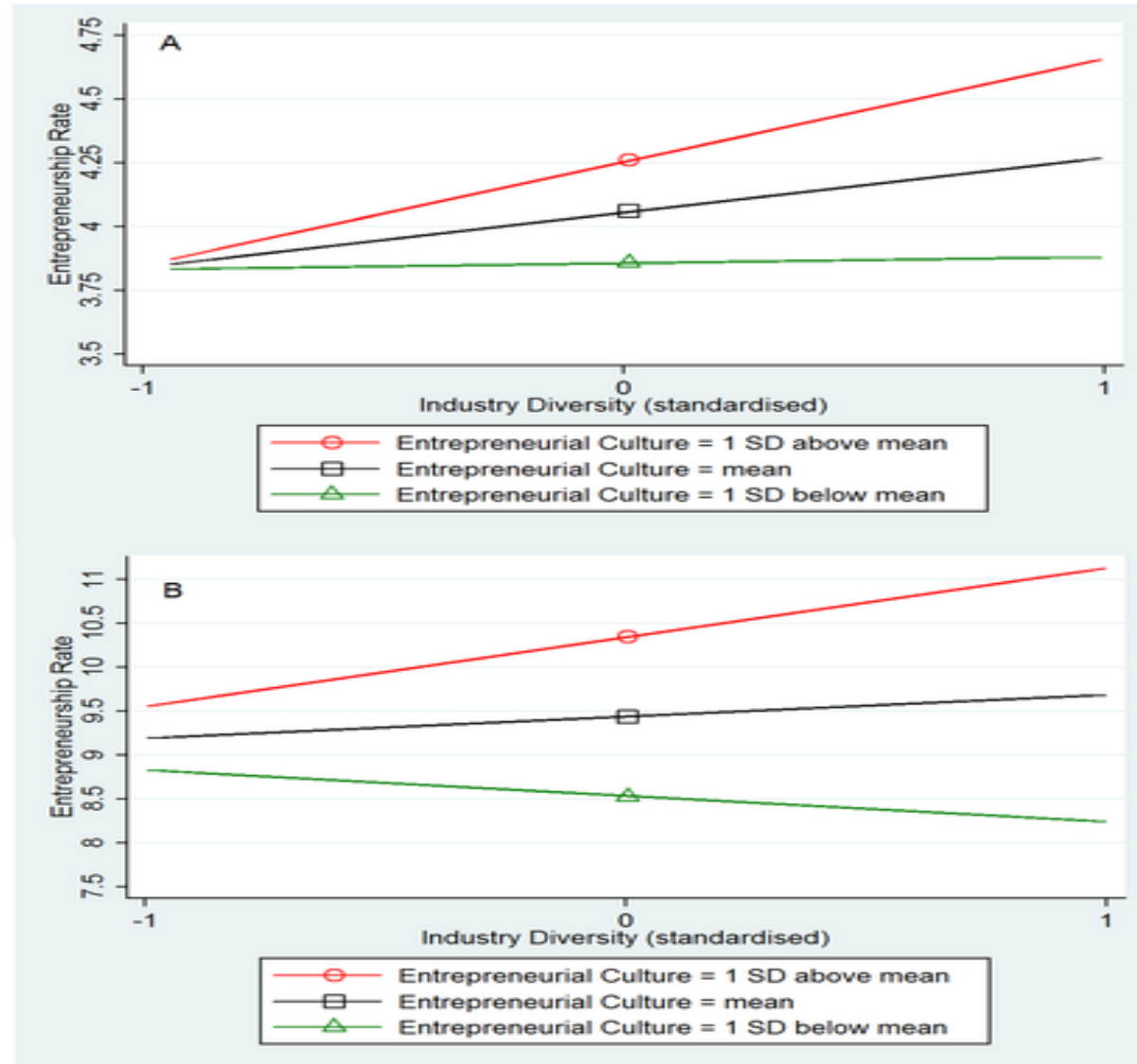


Startup Rates

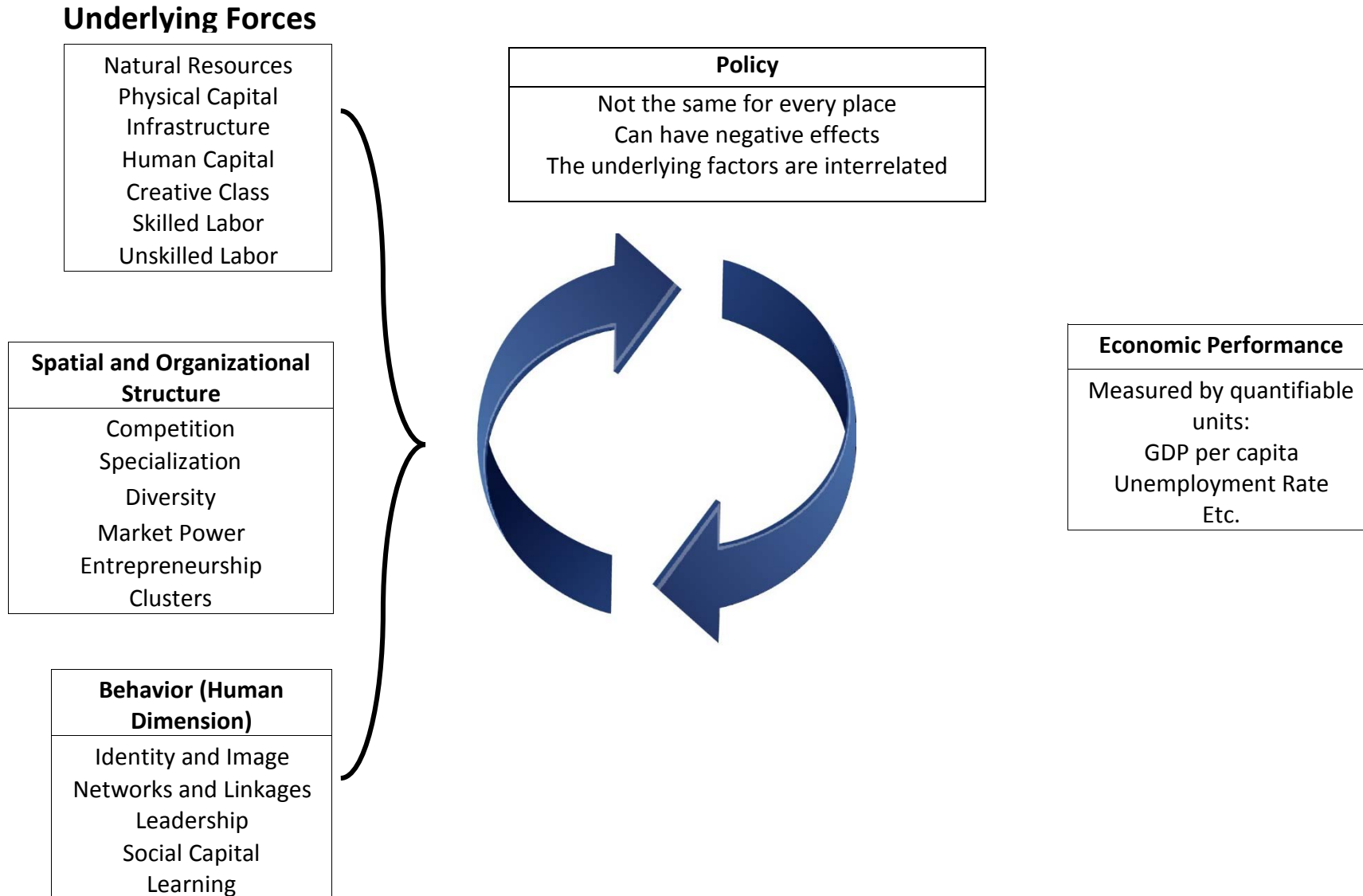
Impact of Cultural Context on Human Capital & Entrepreneurship



Impact of Cultural Context on Industry Diversity & Entrepreneurship



The Strategic Management of Places (SMP) Framework



Conclusions

- Place-Based Economic Performance Shaped by Resources & Factors, Spatial Structure & Organization, Human Dimension (Behavior)
- Can Policy Make A Difference?
- Answer may not be “yes” or “no” but rather depend upon (cultural) context