

Richard Lynn and Tatu Vanhanen *IQ and Global Inequality*. (2006).
Atlanta, Georgia: Washington Summit Publishers (PO Box 3514, Augusta, GA
30914)
PB ISBN: 1-59368-024-4; HB ISBN: 1-59368-025-2.

Reviewed by J.Philippe Rushton in *Personality and Individual Differences*, 2006, 41,
983-5

This new book by Richard Lynn and Tatu Vanhanen is an elaboration of their *IQ and the Wealth of Nations* (2002). In their previous book they presented measured IQs for 81 nations and estimated IQs for all the remaining nations in the world. They showed that these IQs are highly correlated with per capita income and rates of economic development. They argued that this could be predicted, since intelligence is correlated with earnings among individuals. Nations are aggregates of individuals so the same correlation would be expected across nations. They claimed to have shown that this is indeed the case and that the correlations between per capita income and rates of economic development are around 0.7.

This was a very bold claim. The causes of national differences in wealth are one of the major problems in economics on which hundreds of books have been written and to which several journals are devoted. The problem has also been addressed by sociologists (Max Weber), historians (David Landes), psychologists (David McClelland) and physiologists (Jared Diamond). None of these have suggested – dared to suggest? – that national differences in intelligence might be a major factor determining why some nations are so rich while others are so poor .

In advancing their intelligence theory, Lynn and Vanhanen begin by noting that economists regard it as axiomatic that all peoples of the world have the same intelligence. For instance, Richard Easterlin, the Kenan Professor of Economics at University of Pennsylvania, has written that "I think we can safely dismiss the view that the failure of modern technological knowledge to spread rapidly was due to significant differences among nations in the native intelligence of their populations. To my knowledge there are no studies that definitively establish differences, say, in basic IQ among the peoples of the world." (1981, p.5). More recently, two other economists, Eric Hanushek of the Hoover Institution and Dennis Kimbo of the American National Bureau of Economic Research reiterated this position: "we assume that the international level of average ability of students does not vary across countries" (Hanushek and Dennis Kimbo, 2000, p. 1191).

Lynn and Vanhanen have examined the assumption of economists that the average level of intelligence is the same in all nations and shown that it is seriously wrong. To the contrary, there are huge national differences in intelligence that range between an average of 67 in sub-Saharan Africa to 105 in the "Asian tiger" economies of the Pacific Rim. Like many important discoveries in science, it seems obvious in retrospect that these national differences in intelligence must inevitably determine differences in economic development. Indeed, it seems astonishing that no-one had hitherto advanced this simple thesis. Nevertheless, it was only to be expected that their work would get a mixed reception and that while some would be convinced others would be vehemently hostile. Thus, for Edward Miller, professor of economics at the University of New Orleans, "the theory helps significantly to explain why some countries are rich and some poor" (2002, p.522). But for Astrid Ervik of the University of Cambridge, "the authors fail to present convincing evidence and appear to jump to conclusions" (2003, p.406).

Lynn and Vanhanen's new book builds on their previous work and extends it in six directions. First, they have increased the number of nations for which they have calculated measured IQs from 81 to 113. They show that in the new larger sample of 113 nations the correlation between IQ and per capita income for 2002 is 0.68, virtually identical to the correlation reported in their earlier book.

Second, they use the same method for estimating the IQs of nations for which they were unable to provide measured IQs, i.e. from neighbouring nations with culturally and racially similar populations (e.g. the IQ of Latvia is estimated at 98 from the measured IQs of 99 in Estonia and 97 in Russia). By the use of this method they provide IQs for all 192 nations in the world. For these the correlation between IQ and per capita income for 2002 is 0.60.

Third, they address the argument made by several critics of the invalidity of their estimates of national IQs from the measured IQs of neighbouring nations. They show that there is a correlation of .91 between their estimated IQs for 32 nations given in their first book and the measured IQs given in their new book. This establishes their case that their estimated IQs were remarkably accurate.

Fourth, a number of critics attacked the reliability and validity of their national IQs. For Barnett and Williams (2004), their national IQs are "virtually meaningless". To address the issue of the reliability of national IQs they present results of 71 nations for which two independent measures of IQ have been obtained and show that the correlation between these is 0.95. This shows that their IQs have very high reliability. To establish the validity of national IQs they present the results of a number of studies of national scores of school students in tests of mathematics and science. They show that the correlations of these with national IQs range between 0.79 and 0.89. This establishes that their IQs have very high validity as measures of national differences in cognitive ability.

Fifth, the present book breaks new ground by examining the relation between national IQs and a variety of social phenomena. They present a path model in which genes and environment contribute equally to national IQs, which are determinants of economic growth from 1500 to 2000 (.71). National differences in historical rates of economic growth are almost entirely responsible for contemporary differences in per capita income (0.98). The model also posits that national IQs are determinants of a number of social phenomena including adult literacy (0.64), enrolment in tertiary education (0.75), life expectancy (0.77), and democratisation (0.57).

They propose that some of these phenomena have reciprocal causal or positive feedback relationships. For instance, nations whose populations have high IQs have high per capita incomes, and these enable them to provide high quality nutrition, education and health care for their children, and these enhance their children's intelligence. This is the principle of genotype-environment correlation applied to national populations.

Six, Lynn and Vanhanen address the question of the causes of national differences in intelligence. They conclude that this lies in the racial composition of the populations. They were led to this conclusion from the observation that national IQs are predictable from the racial composition of the populations. Thus, the six East Asian nations (China, Japan, South Korea, Taiwan, Hong Kong and Singapore) all have IQs in the range between 105 and 108. The 29 European nations all have IQs in the range between 92 and 102, while the 19 nations of sub-Saharan Africa all have IQs in the range between 59 and 73. They show that there is remarkable consistency in the IQs of nations when these are classified into racial clusters.

In their new book Lynn and Vanhanen have convincingly refuted those critics who asserted that their national IQs lack reliability and validity. For economics, they have made what is arguably the most important contribution to economic understanding since Adam Smith showed that free markets promote economic development. They have also shown that national IQs explain much of the variation between nations in a wide range of economic and social phenomena. Their book extends the explanatory power of the concept of intelligence in a way that makes a major contribution to the integration of psychology with the other social sciences.

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