HOW YOUR

t the individual level, test scores aren't a strong predictor of success in life. But national average test scores matter to your well-being in ways too big to ignore.



Nations with the highest test scores are about

more prosperous than nations with

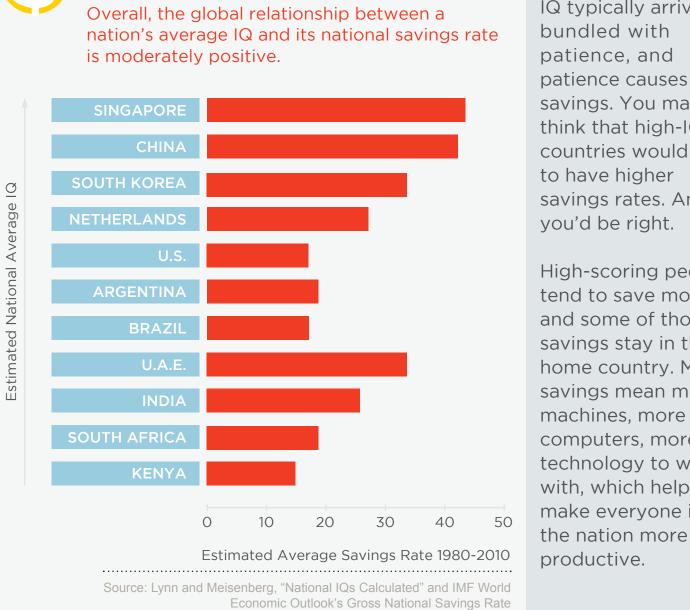
the lowest scores.

Your nation's average IQ matters

enormously for determining how much you earn, how much you produce, and how good your life feels. WHY IS THIS?

SAVINGS IQ typically arrives

MORE



GREATER COOPERATION

cooperative.

savings. You may think that high-IQ countries would tend to have higher savings rates. And you'd be right. High-scoring people tend to save more, and some of those savings stay in their

home country. More savings mean more machines, more computers, more technology to work with, which helps make everyone in the nation more productive.

ending series of prisoner's dilemmas, where people are

Life is a never-

constantly choosing between self-interested shortrun gain and cooperative longterm success. People with higher IQs tend to possess traits that lead them to bank on cooperative outcomes, rather than purely selfish ones. Cooperation, in turn, is a key ingredient for building higherquality governments and more productive

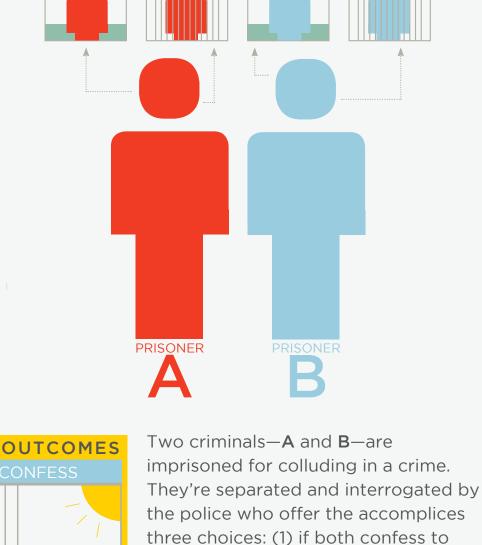
JAILHOUSE

businesses.

Higher-IQ people are more likely to be patient,

The Prisoner's Dilemma

pleasant and perceptive, and thus, more





being shrewd decision-makers.

countries.

be freed but the non-confessor will be jailed for 10 years, or (3) if neither confesses, both will be tried for a minor offense and will be jailed for 1 year. If both take the collective interest into consideration, neither will confess; If either think only of their self-interest, however, they may confess in hopes of serving no jail time, but run the risk of serving 5 years should their accomplice also confess. 2 3 Be perceptive

Figure out what

game you're

the charges, both will be jailed for 5

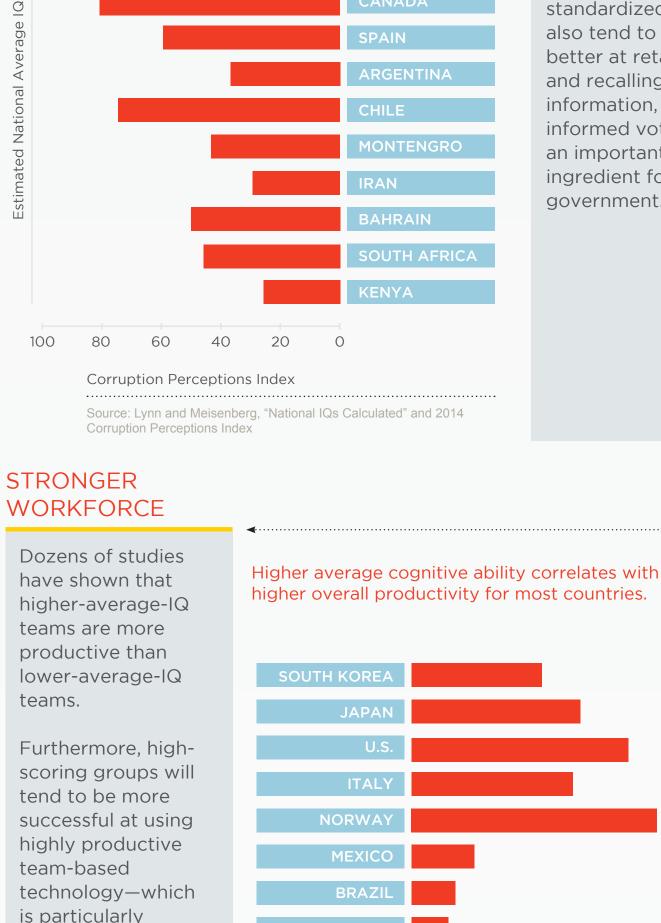
years, (2) if only one confesses, he will

teeth are part of a finding a way to playing. Know the cooperate. Don't just smile. Take a chance rules, know the focus on the shorton cooperating players, and weigh run. Axelrod calls this every now and then, the benefits and "extending the even when things costs of cooperation. shadow of the future." have gone south for a while.

High IQs predict all 3 types of behavior: high-scoring individuals not only tend to be more patient, but they also exhibit more generous—or "nice"—behavior in addition to

prosperity. People CHINA who do well on CANADA standardized tests also tend to be

Average IQ predicts lower corruption across



an important ingredient for good government.

informed voters are

better at retaining

information, and

and recalling

BETTER-INFORMED

High-scoring groups

are more likely to

oriented policies, a

support market-

key to national

CITIZENRY

Mean Cognitive Ability Estimate (2009)

\$60,000

Most developed economies are rife with such

industries—think

of computer chip

mega-mergers.

manufacturing, film-

making, or corporate

crucial for industries in which one mistake

depreciate the value of the final product.

can substantially

In all these ways national average IQ proves a more significant indicator of individual success than individual IQ. And all of these factors—being part of a society that saves more, readily cooperates, is better-informed, and undergirded by a strong workforce are compounded by

by GARETT JONES

Mason University.

Garett Jones is Associate Professor of Economics at the Center for Study of Public Choice, George

Average cognitive ability estimated in 2009 from earlier PISA, TIMSS, and PIRLS international exams and estimated 2005 GDP per person. Sources: Rinderman, Sailer, and thompson, "The Impact of Smart Fractions," and Penn World Tables 7.1.

\$20,000

Real GDP Per Person Estimate (2005)

\$40,000

EGYPT

GHANA

SOUTH AFRICA

The human tendency to conform, at least a little, creates a fifth

channel that multiplies





GARETT JONES