

# The Unz Review: An Alternative Media Selection

*A Collection of Interesting, Important, and Controversial Perspectives Largely Excluded from the American Mainstream Media*

## The Convergence Hoax

GUILLAUME DUROCHER • JANUARY 12, 2019 • 3,100 WORDS • 256 COMMENTS



I am among the few to have had the good fortune of growing up in France. I did know that most of the world was poorer than my country and that some people in far away and not-so-far away lands were still dying in wars. But talk of

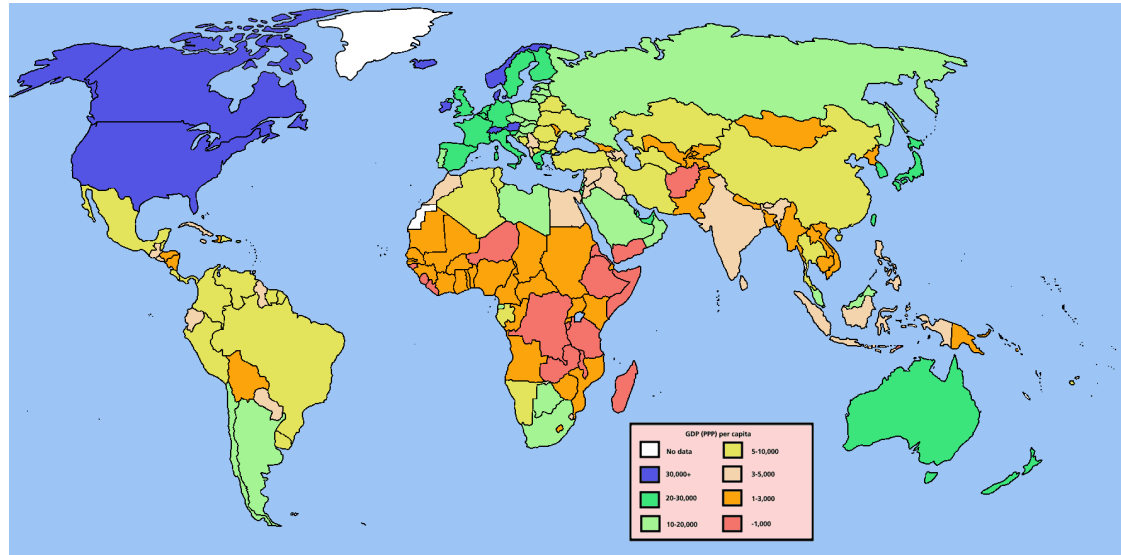
“globalization” was already all the rage and there simply was an assumption that the whole world, slowly, unsteadily, but surely, would become like us.

In truth, we didn't appreciate how unique and rare a nation like France is in this world. We lived in a a coherent nation, with a reasonably competent and honest administration, among basically gentle and fair people. We took these things for granted. But really, that's why Westerners should take some time to travel and live in the Second and Third Worlds.

Nice societies are *exceptional*. In most places, from the periphery of Europe to South Africa, and from Mexico City through Cairo to Jakarta, you really can't take *any* of these things for granted. Instead, most commonly the society is divided into innumerable often-hostile tribes, the government is corrupt, and too often the people themselves are vicious and cruel (I measure this by your homicide rate and the physical abuse of children and dogs). These observations obviously don't deny the warmth, generosity, and indeed vitality that one may find within the families and clans of these societies.

In the 1990s, it might have been reasonable to think that all nations would, eventually, become as gentle as France or even, as Francis Fukuyama even more ambitiously put it, “get to Denmark.” Actually, even back then a perceptive observer could see that this was a questionable proposal not in line with the data comparing socio-economic performance both between nations and between ethnic groups within the same nation (e.g. William Pierce and Philippe Rushton were not hoodwinked).

Even as we were being taught to reject racism and embrace Martin Luther King, the thought occurred to me that racists would probably be reassured in their beliefs by the world's GDP per capita map. (If *everyone* was held back by colonialism why was Africa, and specifically *Africa south of Sahara*, uh, held back more?)



GDP (PPP) per capita, 2004

“Convergence” is a core aspect of globalist ideology. If all human beings are fundamentally equal, it follows that all societies are fundamentally equal and have the same basic potential. Therefore, the backwardness and dysfunction of particular societies is only because of historical happenstance and can be rectified by adopting the cultural and political practices of winners. The “convergence assumption” underlies much of the work of the European Union, the United Nations, and the field of “developmental economics” (led by Armenian-Turkish economist Daron Acemoglu).

If individuals and nations are equal, we would expect them to gradually *fully equalize* over time. This, however, rarely happens unless your nation is either:

- A) Close to Europe's Germanic core (e.g., more often than not, within the mysterious **Hajnal Line**)
- B) Largely descended by people close to Europe's Germanic core (the United States, the British Dominions . . .)
- C) Is in East Asia (Japan, South Korea, Taiwan, China . . .)
- D) Is descended by people from East Asia (Singapore)
- E) Has bountiful natural resources (Saudi, Gulf States . . .)

I stopped believing convergence when I got bored of hearing the recurring reports, every damn year, about how the “Nordic countries” were always top of the list on all the various metrics of economic performance, well-being, equality, niceness, etc.

Since the Second World War, no southern European country has converged with northern Europe despite being under capitalist regimes. No one in the development economics field has any coherent explanation for why corruption and poor governance steadily increase as one goes towards southern Europe (and beyond to the Maghreb and Sub-Saharan Africa) and for why these countries have proven unable to adopt good practices over the last 75 years.

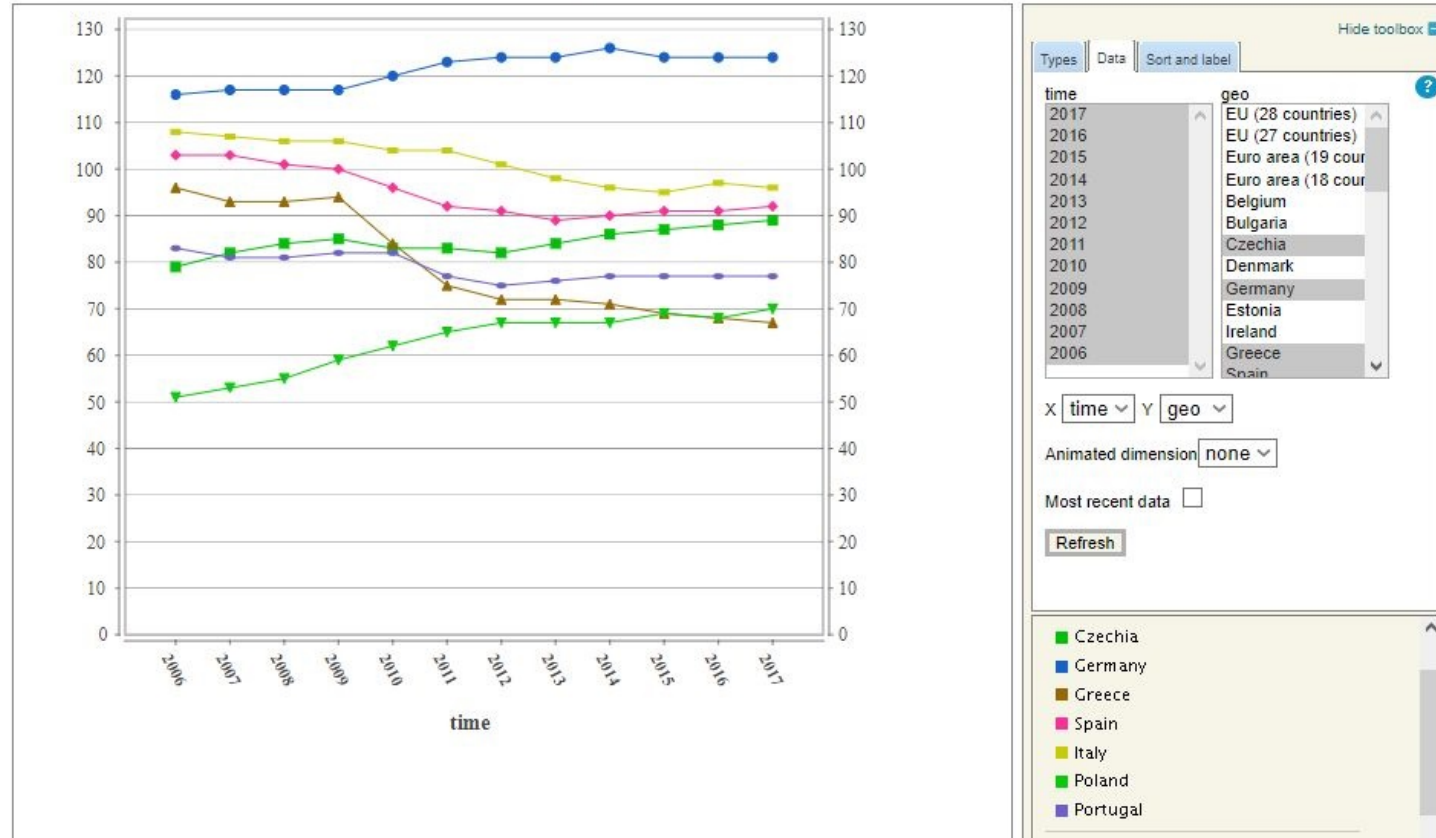
Perhaps the physical geography is simply less optimal outside the Blue Bannana. -FNC

The European Union has a number of policies which are supposed to foster convergence between member countries: the EU budget redistributes billions of euros of agricultural, regional development, and other funds from wealthier rich countries to poorer ones; access to the Common Market (an economy as big as China or the United States); and even a common currency, the Euro, which enables all members to enjoy a money as stable as that of Germany and reduces transaction costs.

And yet, full convergence doesn't even happen *within Europe*.

## GDP per capita in PPS

Index (EU28 = 100)

Data from 1st of June 2018. For most recent GDP data, consult dataset [more](#)

In recent years, *divergence* has been the norm, with Germany deepening its lead and southern Europe falling further and further behind.

All this is nothing new. For centuries, industry and trade in Europe has concentrated in the so-called “Blue Banana” (pictured above) stretching from southern England via the Rhineland to northern Italy.

Compare the diffusion of the printing press:



### The Diffusion of the Movable Type Printing Press

A: Cities with Printing in 1450



B: Cities with Printing in 1460



C: Cities with Printing in 1470



D: Cities with Printing in 1480



E: Cities with Printing in 1490



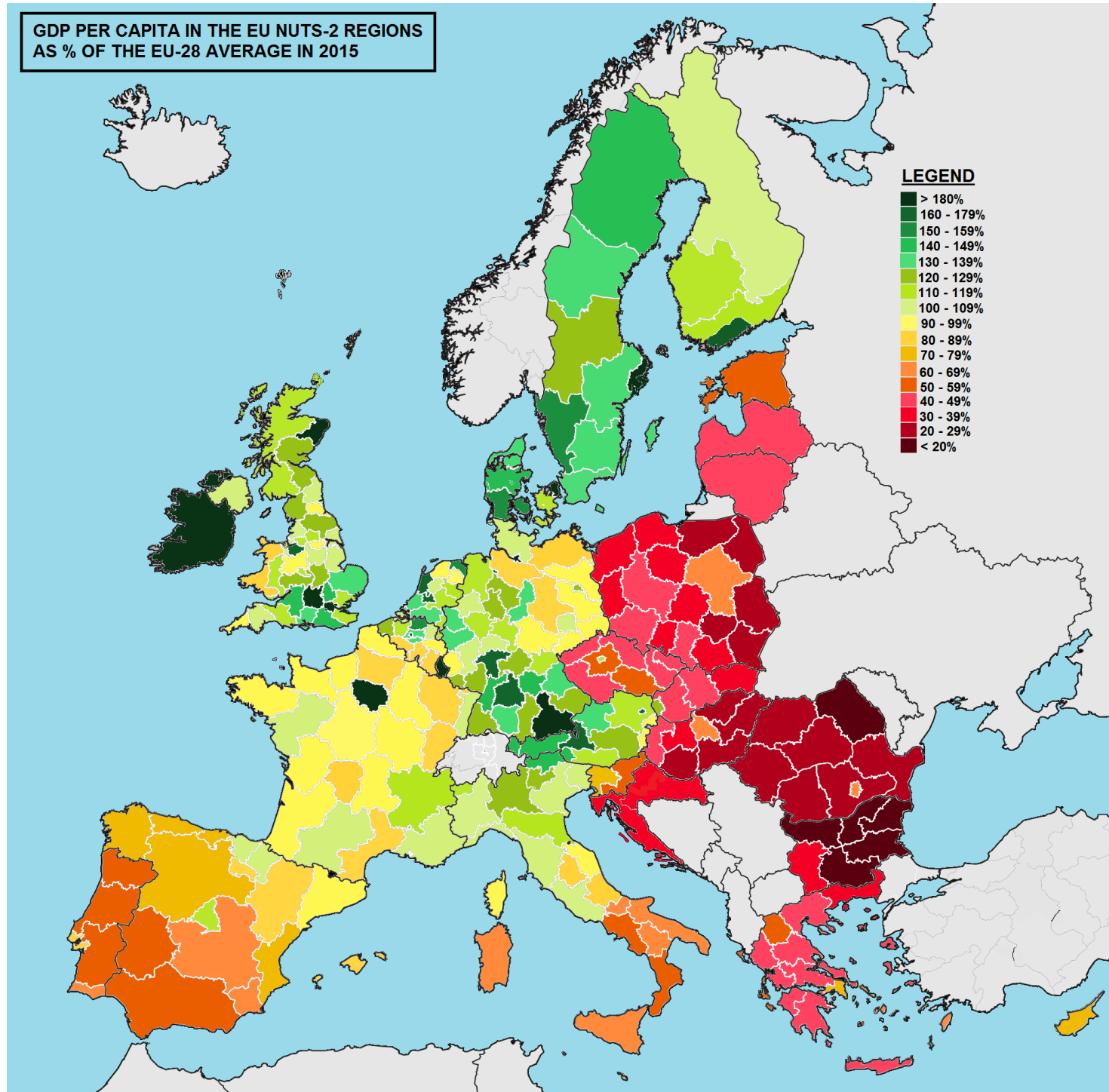
F: Cities with Printing in 1500







And the current GDP per capita of European regions:



Same ol', same ol'. Already in the sixteenth century, Niccolò Machiavelli was complaining that Italians were not as industrious, organized, and “virtuous” as the Swiss.

Human beings are creatures defined *both* by their genetic inheritance (difficult to change) and by their culture (much easier to change). We have both hardware (largely genetically-determined phenotype) and software (culture, in particular customs, habits, and norms). Egalitarians claim humans are all software, which isn't credible.

The difficult question with any observed inequality is to ask: How much of this is due to heredity and how much due to culture?

Acemoglu has become an academic rockstar by promoting a comforting thesis: that poor countries are poor not because there is anything different about the people, but because the “institutions” differ. It's obvious that institutions are *extremely* important, that makes Acemoglu's heredity-denying claim *half-true*, and all the more misleading (much more misleading than an outright lie).

Institutions clearly matter. The Japanese had not thought of the idea of capitalism until Commodore Perry's black ships forced them to open up their country to foreign trade at gunpoint in 1854. The Japanese, unlike 80% of nations, proved quite adept at capitalism.

Conversely, a nation is most often held back by an excess of socialism. This had clearly been the case for eastern Europe until 1989 and for Mao's China, which

went through phases of communist hysteria. It was also apparently the case for postwar Great Britain, whose Labour government passed an ambitious program of socialist economics in that nation which had so long had massive inequalities. British postwar socialism appears to have contributed to the country's unprecedented economic underperformance relative to the Continent (about 20% poorer than France by 1980). (Excessive military spending to sustain Britain's great power ambitions and trade disruption due to the collapse of the British Empire no doubt also played a role.)

But there is also the taboo human biodiversity explanation. This assumes that a country's long-term development is constrained by the basic psychological character of the population. The most important traits would be: *intelligence* and *social trust* (inversely correlated with corruption).

Intelligence is correlated with many nice things like innovation and self-control. High intelligence (particularly concentrations of very intelligent people) means you can be a world-leader in cognitively-demanding fields, like innovation. Low intelligence means you have a lot more *non-functional people*, people who can't hold a job, who might be erratic or violent, which your society will have to babysit. The effects of intelligence and stupidity seems to ratchet up. *Critical mass* (of intelligent people or of stupid people) often seems to be a decisive factor.

It seems to me that *social trust* is favored by: the psychological mechanism of guilt (particularly associated with northern Europe), the psychological mechanism of shame (particularly associated with East Asia), and by a shared ethno-national identity (the West until recently, East Asia still).

If a country has a stable regime of mixed-market capitalism (e.g. no more socialist than postwar Continental Europe), it will tend towards its “natural” level of social organization and economic development, as roughly follows:

$\text{GDP / capita} \simeq \text{intelligence} * \text{trust}$

In general, if a country held back by decades of communism *overtakes* a society which had enjoyed a stable capitalist regime, there are strong grounds for thinking that **HBD** is the decisive factor.

Human Biodiversity

The fact that Poland has overtaken Greece and Czechia has overtaken Portugal (and perhaps soon Spain) in terms of GDP per capita is remarkable. The same is true for China – retarded by Maoist economic and cultural insanity – blasting past India, which had inherited capitalist and democratic institutions from none other than the British pioneers in these fields. The Acemoglian thesis is powerless to explain India’s failure, while the HBD thesis happily predicted China’s rise a decade ago (if not earlier).

For developmental economics, the “middle-income trap” is a mysterious problem to endlessly theorize about. For **the hereditarian**, it is just what you would expect to see, given the realities of **technological diffusion by tiny cognitive elites and the mediocre human capital in most of the world.**

I would concede that in many cases *socio-cultural vicious and virtuous circles* contribute to the persistence of inequality and the failure of convergence. A country with tyrannical social and cultural habits might find it difficult to shake them off (this may take several generations even in the best of cases). One is

perpetually struck at how the voting patterns in, say, [Poland](#) or [Romania](#) to this day correlate with the borders of the ruling empires in previous centuries (where these empires were more liberal or modern, so today these region tend to vote liberal). I do not believe an HBD explanation is credible in these instances.

Furthermore, successful nodes in the capitalist order are liable to suck up the brains of the less successful ones and forge ahead with new industries and infrastructure, meaning a permanent gap. I suspect factors such as these are the reasons for northern England's relative poverty compared to the south and for post-communist eastern Germany's only very slow convergence with western Germany. I doubt there is any significant HBD factor involved in these cases.

Charles Murray has convincingly argued that this phenomenon of cognitive sorting (smart people moving in with smart people) has also led to high social fragmentation and polarization in the United States. This clearly also occurs *between* nation-states.

Of course, genetics, culture (including institutions), and socio-cultural feedback loops are all working together *at the same time* in determining socio-economic outcomes. I strongly suspect the famous European Blue Banana has persisted for 500 years because of a *mixture* of these three kinds of factors.

A nation made up of selfish and stupid people will tend to create selfish and stupid institutions, and fall into negative feedback loops. Acemoglians have no coherent account for why some nations create good institutions and other nations, placed under similar conditions, do not.

It will be very interesting to see how much eastern Europe converges with western Europe. Certainly, Nordicist theory is quite comfortable explaining the Czechs' and the Poles' overtaking the Meds, while the mainstreamers are at a loss (to be fair, it appears that the Eurozone's poor design has *further weakened* Mediterranean economies – wiping out their industry and making them vulnerable to financial instability and usury, while giving Germany cheap exports and negative interest rates – making them underperform relative to their natural level).

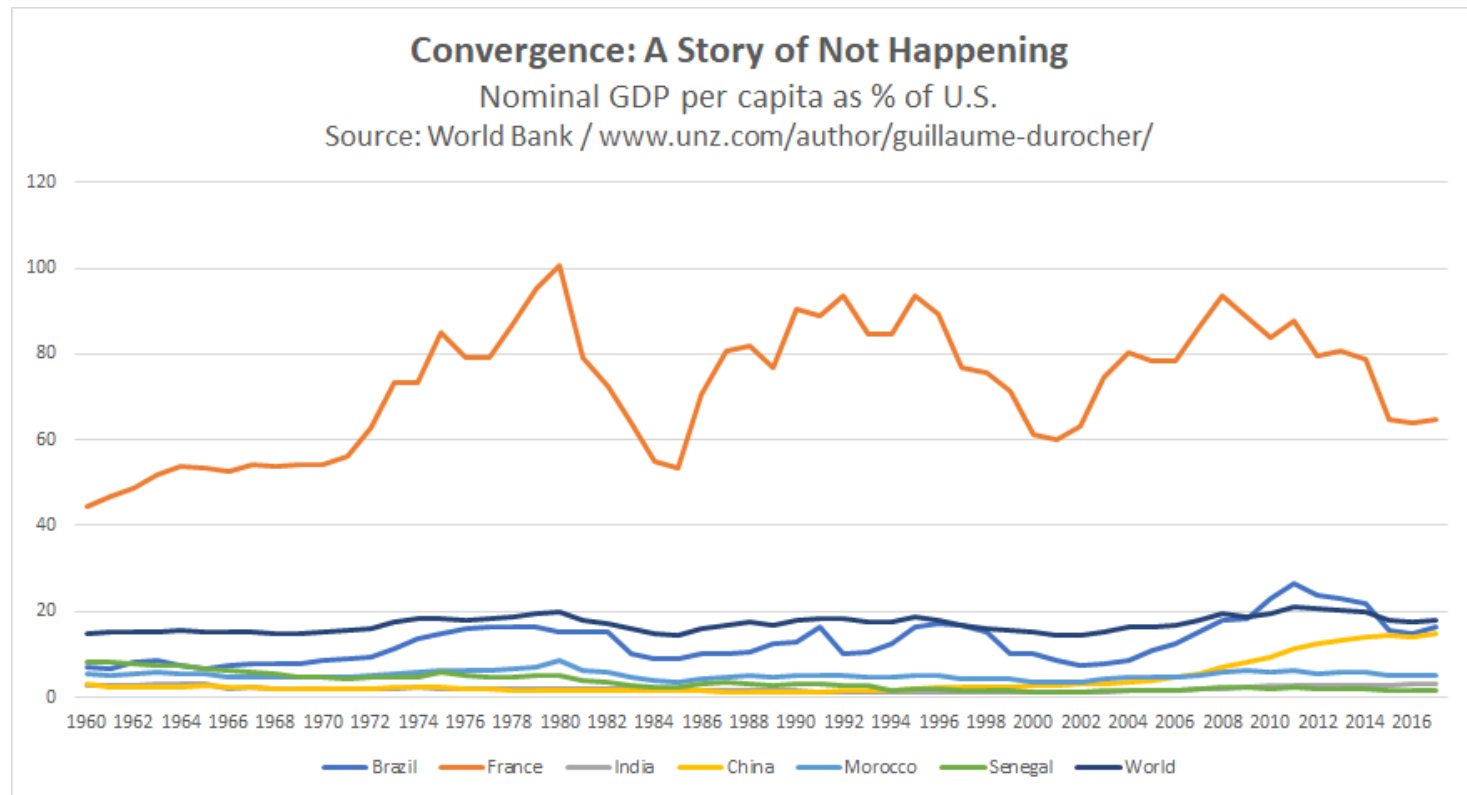
It is *very striking* how consistent is the decline in economic performance as one goes from Germanic Europe towards southern and southeastern Europe: the Netherlands better than Belgium, Germany better than France and Hungary, France better than Italy and Spain, Lombardy better than the *Mezzogiorno*, Catalonia and the Basque Country better than Andalusia, Hungary better than Romania, Morocco better than Sub-Saharan Africa, Turkey better than Syria and Iraq . . . Or heck just go from Slovenia to FYROM in the former Yugoslavia (although, to be fair to the Serbs, I suspect their poverty has more to do with being isolated and bullied by the West over the last two decades).

The economic underperformance of Russia, Belarus, and, especially, Ukraine and Moldova is rather striking. Instability and being locked out of Western economic networks may or may not be the critical ones.

These factors are difficult to disentangle. We should not automatically assume every inequality is due to HBD factors. Ireland was long assumed to be a basket case because of HBD factors and this has not been entirely disproven by the

Celtic Tiger's recent success (how much of this is due to being an English-speaking tax haven for GAFAs and other global multinationals?).

Around the world, we *almost never* see full convergence between southern and northern countries. Consider the sample of countries representative of their respective continents in this article's opening chart.



Does this look like “convergence” to you? Most Third World countries have barely been able to get off the ground. Both France and Brazil, for their part, appear fluctuating around a fairly consistent “natural level” of roughly 75% and



18% of U.S. GDP, respectively. (Note: much of the fluctuation here is in fact currency fluctuation, which does not necessarily reflect the economy's actual productive swings.) In 1960, the average person in the world had an income equal to 15% that of an American, in 2017 the figure had risen to . . . 18%. Remove China from the equation and most of the world has made no progress at all in catching up to America.

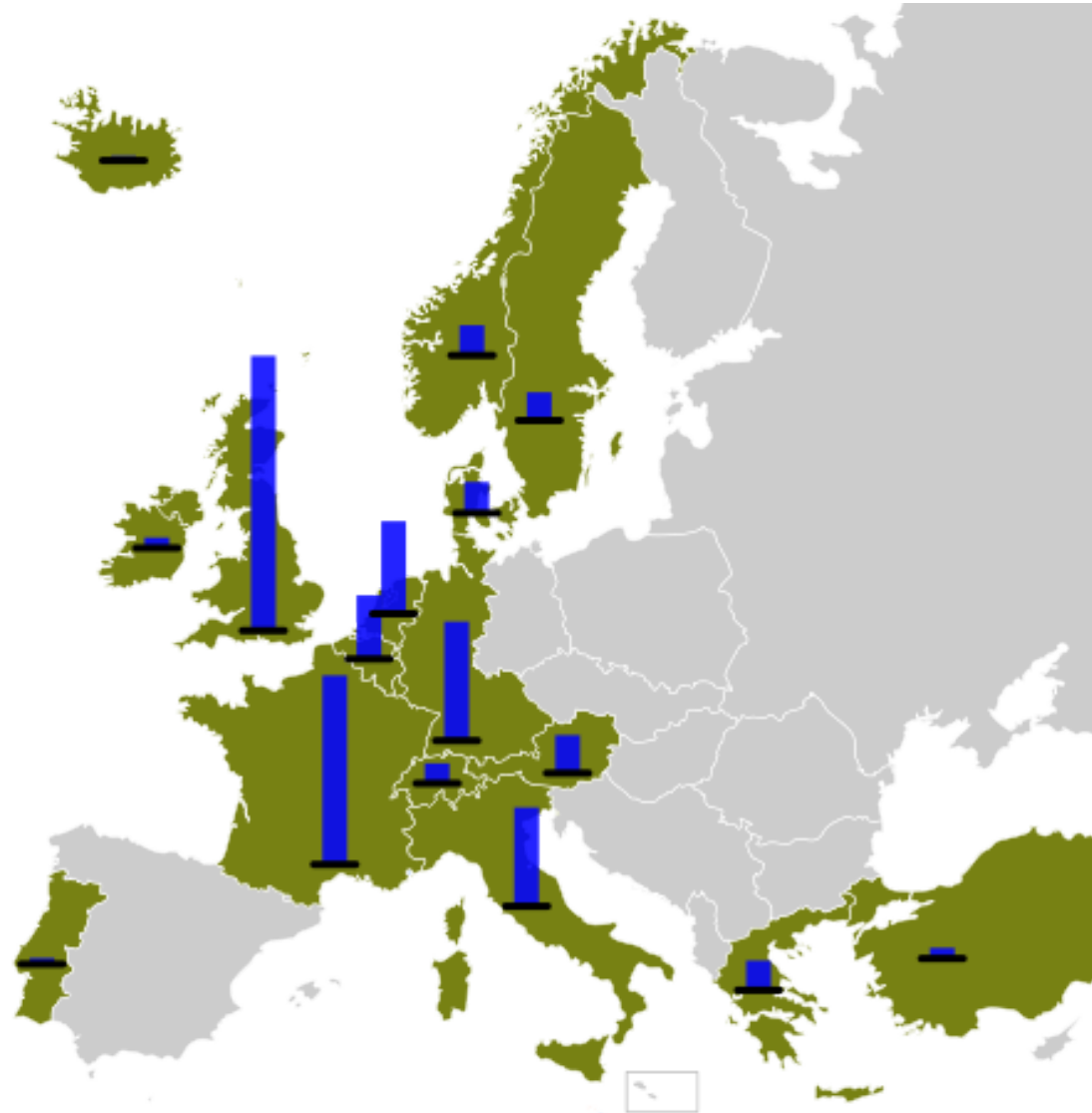
The above chart measures nominal GDP, which may understate the developing countries' actual purchasing power. For PPP GDP per capita, which tries to measure actual purchasing power, I have only found data going back to 1990, but the story is substantially the same:

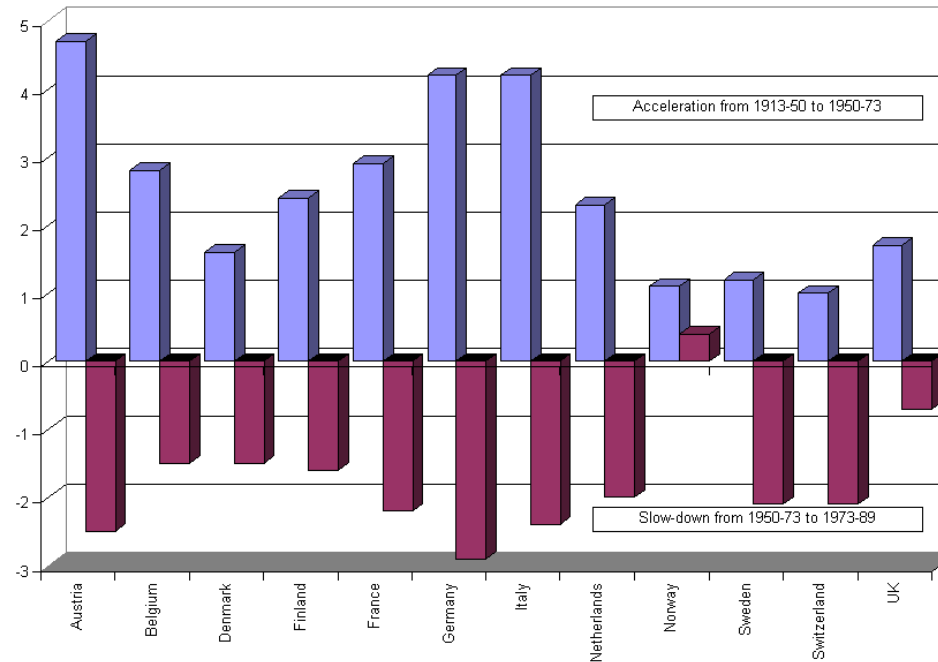
Does that look like “convergence” to you?

The data does stress how far China still needs to go to equalize with Western standards of living (although this data may understate China's progress and China will overtake the U.S. and EU economies long before it achieves per capita parity).

If one has egalitarian rather than hereditarian assumptions, one has to come up with increasingly complex and elaborate mental acrobatics to explain the very widespread and constant failure to achieve full convergence. One of the most popular explanations is *Western oppression*, but no one has come up with a convincing theory for why British imperialism or U.S. hegemony allow prosperity in some places (Singapore, Hong Kong, South Korea, Japan, Western Europe . . .) and cause poverty in others (India, Africa, Latin America . . .).

A particularly vicious form of imperialism (and these do exist) can set a country back generations. However, on the whole the sources of growth and development are largely endogenous. People will say the Marshall Plan “developed” postwar western Europe, but the data does not bear this out. Sure, the Marshall Plan showed how generous the United States could be in comparison with the poor and brutal Soviet Union. In that sense, it was a big propaganda win. But the fact is, there was little correlation between the amount of Marshall aid received and economic growth:





### (Source)

If anything, there is something like an inverse correlation: **Britain** received the most but fell into stagnation, while **West Germany** received the least and grew the most. **France** enjoyed solid growth despite squandering huge amounts of wealth, equivalent in value to its Marshall aid, in failed wars in Indochina and Algeria. Marshall aid helped Europe get through some tough winters, but was by no means a major driver of convergence. Western Europe grew more than eastern Europe not because of Marshall aid but because it was not forced to adopt Stalinist economics.

The Marshall Plan is a popular concept because among politicians because it gives us the illusion of agency. We prefer to think that we can solve big

problems by throwing lots of money at them rather than raise uncomfortable questions.

**Total aid to Africa** since 1960 comes up to over \$5 trillion or the equivalent of about 50 Marshall Plans.

Acemoglu's ideas will always be more popular than apparently-pessimistic hereditarian ones, at least in most of the world. No one likes to hear that their nation is, on the whole, not going to be as organized or nice to live in as the advanced ones. *I don't particularly like the thought of it either. We shouldn't rub it into anyone's nose. Every nation and every person ought to have a healthy self-esteem, if that means not thinking about certain topics too much, that's just fine.*

Maybe we ought to think of nations like individuals in this respect: each one has its particular interests, aptitudes, and failings. And that's all right. We shouldn't expect everyone to want or be the same. Most of us ain't Da Vinci.

The point is to be realistic and to have good policies on that basis. The "convergence assumption" creates tremendous amounts of psychic pollution in the policymaking process and leads to perpetual disappointment.

The convergence assumption often leads less developed nations to want to adopt "get-rich-quick" schemes through Western loans, forced industrialization, or "great revolutions" which in the end **set them back even further**. More ominously still, if one has egalitarian assumptions, someone must always be

*scapegoated* for the Third World country's failure to achieve Western standards of living, and I don't need to tell you who is the **go-to fall guy**.

Every nation should be prudent and moderate in its economics and not assume anything is "wrong" with them just because they are poor. Who knows, may be in the long run we'll succeed in directly addressing the issue by begetting smarter and wiser human beings.

Acemoglu's institutional theory is a half-truth which ultimately misleads you into believing a falsehood. I didn't like Samuel Huntington's "clash of civilizations" theory when it came out, it just didn't make sense to me to claim culture was so infungible. But if one considers civilizations as **products of and proxies for HBD**, well then, his claim that civilizations would not harmoniously converge and blend into one was absolutely true. When something is taboo, a half-lie is often the only way to get at a deep truth.

Fine print: all of these ideas are shameless pilfered **from Anatoly Karlin**.