

Transcript for Robert H. Frank | The Myth of Meritocracy (Episode 599)

Full show notes found here:

<https://theartofcharm.com/podcast-episodes/robert-h-frank-the-myth-of-meritocracy-episode-599/>

ROBERT: Everyone is trying to be the winner. There are thousands, often tens of thousands, maybe even hundreds of thousands of contestants in these winner take all contests. There are natural limits on how hard you can work and how smart you can be, so there are lots and lots of people bumping up those natural limits. Let's find the contestant out of the many thousands of them who is the smartest, hardest working, in the whole set. How lucky will he be? Well since we've chosen him, without regard to luck, only because he was the hardest working, most talented. His luck will be neither good nor bad, it'll be average on the luck scale.

JORDAN: Today we're talking with Robert H. Frank. He's a professor at Cornell and the author of *[Success and Luck: Good Fortune and the Myth of Meritocracy](#)*. We're going to talk about the role of luck, talent, and hard work. It might not be quite the mixture that you think. Why we tend to minimise the role of luck in our success. How to maximise our luck in life, of course, by way of concepts outside that of talent and work, and ways to look at the luck factor and turn it to our advantage. Enjoy this episode with Robert H. Frank and of course, if you're new to the show, we'd love to send you some top episodes and the AoC Toolbox, where we discuss things like reading body language, having charismatic nonverbal communication, negotiation techniques, the science of attraction, networking, influence strategies, mentorship, persuasion tactics and everything else that we teach here at The Art of Charm. Check that out at theartofcharm.com/toolbox. Also at theartofcharm.com/podcast, you can find the full show notes for this and all previous episodes of the show. All right, here's Robert H. Frank.

Well thanks for being here with us today as well and it seems like, speaking of luck, you're actually kind of lucky to be here

after what had happened on a tennis court one day. Why don't we start with that?

ROBERT:

Sure I was playing tennis with my long time friend and co-author. Tom Gilovich is his name. He's a psychologist here at Cornell. It was November, it was cold out. He tells me that during the second set, as we sat during a changeover, I complained about feeling nauseated and then the next thing he knew, he tells me, I had rolled off the bench. I'm lying still on the tennis court, no breath, no pulse. He realized that something gravely is the matter, he flipped me over onto my back, he called out for others to call 911 and then he started pounding on my chest. And he said that after a long time, what seemed like a long time, he got a cough out of me. But then I went limp again and he was about to give up hope, when in through the front door of the tennis facility, bursts the EMT crew.

They cut my shirt off me, they put the paddles on me, they loaded me onto a gurney and took me to the hospital in the ambulance. From there I was flown to a larger hospital in Pennsylvania, they put me on ice overnight. Three or four days later, I was told told by doctors that I had suffered an episode of sudden cardiac death. They don't understand exactly what causes that to happen, but most of the time when it happens, unless you get immediate attention, you die right there on the spot.

The fact that I made it, was attributable to an extraordinarily low odds event. It was that before I collapsed on the court, there had been two auto accidents that occurred near the tennis center. Ambulances had been dispatched from town which was five or six miles away. Normally it would take 30, 40 minutes to get an ambulance to a site out in the country. One of the accidents wasn't serious and so when the call came in that they had a serious case at the tennis center, the driver of that second ambulance was able to peel off, come to my aid, only a few hundred yards from where he was. And except for that

immediate attention, I would be among the 98 percent of people who don't survive episodes of cardiac death.

JORDAN: Wow. So two other people's terrible luck, in that they got in a car accident, combined with your terrible luck, in that you got something that's 98 percent fatal, far away from medical attention, combined to create what is relatively speaking, a piece of good luck for you.

ROBERT: Exactly, now my late mother would have said I was destined to survive. You know, that's not the way I've ever thought about things like that. I think I was the beneficiary of pure dumb luck. But, you know, people have different ways of parsing events like that and I don't quarrel with anybody's point of view on that. I think I was lucky.

JORDAN: Right. Yeah I would imagine destiny doesn't figure into your calculations as an economist too often.

(laugh)

ROBERT: Yeah I think we're low on the destiny scale --

(laugh)

ROBERT: -- as a profession.

JORDAN: Why is the topic important? I mean it seems strange to start a show about luck and success with you almost dying and other people getting into car crashes. But the topic itself is important because, there's a lot of discussion around luck, both in the political sphere, in the business sphere, in the economic sphere, if you can really separate those things, as well as in our own minds. People, we're just kind of bad, as humans, in estimating what is attributable to luck. What luck even is, we're not really sure a lot of the time. Why is this something that you've dedicated time to studying?

ROBERT: One of the themes in my book is that people tend to overlook the importance of chance events in life. I begin the book by describing a number of times when I've been affected by chance events and it's not my point to try to suggest that I'm more observant than other people, that I notice these things and most people don't. It's that if you get hit over the head hard enough by luck, you're going to notice it. Somebody wins the lottery, we say, "That person was really lucky." There was a musician, one of the founding members of the Electric Light Orchestra in the U.K., driving along a rural road in England, Mike Edwards. He had done nothing wrong, apparently, a 1300 pound bale of hay broke loose from its moorings on the hillside, started tumbling down, gathered speed, hit a berm, catapulted over a high fence, and landed right on the top of the cab of his truck and it killed him instantly. I think he was unlucky --

JORDAN: Yes.

ROBERT: -- to have been there at that moment.

JORDAN: Sounds like it, yeah.

ROBERT: So we notice vivid examples like that, but when luck plays out as it normally does in life, it's in far more subtle ways and we tend not to notice, it's important, in those cases. We see successful people, thirty years into their careers, almost all of them are hardworking and talented. There are a few examples to the contrary, you can think of lip syncing boy bands or various others who have succeeded without much hard work or talent, but most of the people who make it big, really do work hard. They really are talented. And then it comes time to look back and try to explain to themselves, why did I succeed? You know that's what we do as people.

We construct narratives about our lives, and we do so from the things that are most accessible in memory. So if you've been successful, you've probably gotten up every day and worked hard. You can remember countless examples of doing that. Even times when you didn't feel like it, which is when you're

most likely to remember examples like that. You can remember all the hard problems you solved because you solved so many of them over those years. You remember all the formidable opponents that you had to vanquish along the path to the top. So all those things are part of your narrative. The teacher who kept you out of trouble when you were in the 11th grade, you've forgotten about her. Maybe you got an early promotion because there was a colleague who was slightly better qualified than you who couldn't accept it because he had to care for an ailing parent.

So there are just natural tendencies in human cognition, to remember the obvious causes of events that we see and to overlook the things that don't happen frequently or as vividly. There's a tendency too, that we tend to focus on headwinds that we face. Tom Gilovich, my friend I mentioned earlier, has done research on this specific topic. So you're riding a bike into a heavy wind, you're conscious of that wind and how it's making life difficult for you every inch of the way. The course changes direction, now you've got the wind at your back. You're delighted to have gotten out of that headwind and you're happy for, what, 20 seconds?

(laugh)

ROBERT: And then after that, it's no longer in your conscious focus. You've got a wind at your back but you're not thinking about that because you don't -- you had nothing you have to do. You don't have to work against it. And it's the same with events in life. If you had to battle against an obstacle, you're hyper conscious of that. You remember it, you include it in your story. If you had a wind at your back, that's something that you just don't notice. And so I think in complete innocence, successful people tend to look back on their lives and say, "Wow I did it all myself."

I paid \$500 to use one sentence in the beginning of my book. It was a line from an E.B. White essay originally published in the 1930s. It was, "Luck is not a subject you can mention in the

presence of self-made men." That so seemed to capture the difficulty of people comprehending, yes despite the fact that you were talented and worked hard, you probably had a few breaks along the way.

JORDAN: Right, we see this in the availability heuristic, where it's essentially a cognitive shortcut that causes us to estimate that an outcome is based on how readily we can remember something, right? So of course, any successful career track, any successful life course, will have hard work, talent, and a little bit of chance or luck.

ROBERT: Right.

JORDAN: And we know we worked hard. We know we got into a good school. We know we studied 10 hours a day. We know we saved money from our first job and reinvested it into the company and then, in my case, it would be easy to forget that, well yeah, also the economy tanked, which caused my firm to not want to fire me or lay us off but to pay us for a year even though they couldn't give us any work, which became the capital with which to start The Art of Charm in the first place. And also, I wasn't born in Zimbabwe and I wasn't born with any major health ailments that impede me from working hard and staying up late and putting in the hours. And you're right, people who are self-made, so called self-made, just hate acknowledging the role of luck in their lives and in their success. Why do you think that is?

ROBERT: You know you could be cynical about that and say, "Oh, they're just trying to defend their claim to all the money that's come their way. If they would admit for a moment that luck played a role in their success, then others might be more inclined to try to take some of their profits away from them." I don't think you need to go there to really understand what's going on. I think just as you indicated, just now, if you would ask a successful businessperson, "How would things have played out for you if you had been born in Somalia or some other war torn country?," you know, they won't insist, most of them won't, that they

would have done just as well. They recognize that they were lucky not to have been born in those circumstances. And it really depends on how you raise the subject in the first place, how people will react to it.

Do you recall the speeches from the 2012 campaign? There was one by the president and one by Elizabeth Warren. They were essentially the same speech, in substance. They were trying to remind people that if they were successful, they hadn't done it entirely on their own. They'd shipped their goods to market on roads the rest of us helped pay for. They hired workers that the community helped to educate. They'd shipped stuff here and there using networks that were totally built with no assistance from them personally. They would, on reflection, agree with that. But what people seem to hear in those speeches -- they came to be known as the "You didn't build that" speeches.

JORDAN: Right.

ROBERT: They thought they were being told, "Oh, you're successful, well you don't deserve it. You have a lofty position, you don't really merit that position." That wasn't the message of those speeches. The speeches were trying to just reinforce the idea that if you succeeded, it wasn't just because of things you had done yourself, that the community had a hand in it too. And part of the social contract is to pay forward so that the next group that comes along will have its shot at success.

That's the problem, if you tell people that they were lucky to be in a certain environment, they get angry. What I discovered, and this was quite by accident, was that if you take a slightly different tack. If you say kudos (sic) to a successful friend, can you think of any examples of good luck you enjoyed along your path to the top? You don't get an angry or defensive reaction if you just ask that question. People think about it. Their eyes light up when they can think of an example of good luck that they had. They want to tell you about it and in the act of telling you about it, that kindles a memory of another example of luck that they enjoyed. And then they're telling you about three or

four and then suddenly, they're engaged in a conversation about, "Why aren't we making this investment or that investment so that the next group can have the next shot I had at becoming a success." So it really depends on how you launch the conversation. You've got to be careful not to appear to be saying, "Oh, you're successful. You don't deserve that," because that's not the message.

JORDAN:

Yeah it seems like we overestimate our role in the good things that happen to us often enough. But what effects does this have on us and on society at large. I mean, first and foremost, it seems really obvious that, especially in light of recent political events, that the consequences of bad decisions, are very different for people with money and those without money. So that's an obvious effect, right, when we're looking at this but what else happens when we overestimate our role in the good things that happen to us? How does this affect everyone else and ourselves in a negative way?

ROBERT:

Sure, there's a tendency to feel that if you make something with your own hands, that it's yours. John Locke wrote about this hundreds of years ago. Every person has a natural right to the property of his own efforts. And so, I think when you engage in an activity, and the activity succeeds, and you earn a lot of money from doing it, there's a natural sense that you're entitled to keep that money. In fact, we all live in societies. All societies, at the very least all successful ones, have governments. Governments are expensive. They do things that we can't do any other way, really, besides through collective action, and that's got to be paid for. Which means, we have to have taxes to pay for the things that have to be done collectively. And how do we get those taxes? They have to be levied on people in a way that they can't volunteer not to pay them.

Why shouldn't taxes be purely voluntary? Because no one would pay taxes if they were purely voluntary. So the complaint that taxation is theft is really kind of an empty, rhetorical move. I mean, there have to be taxes. The only question is, whom should we tax? How much, and so on. So you don't have a right

to money that comes your way pre-tax, what you have a right to is the money that comes your way post tax and how much the tax is, that's a democratically decided question. We elect representatives, they deliberate, they decide what the tax rate should be. So what you have a legitimate, moral claim to, is your after tax income. And I think the natural tendency to believe that if you made it, it's yours, has really put some huge fortunes under the shadow of a sense of entitlement that the fortunes to keep every cent of, by the people who earned them. Really we have to be more open to the idea that what's ours to keep is what we decide, as a collective body, should be ours to keep, after we attempt the task that we want to do collectively.

(COMMERCIAL BREAK)

JORDAN: There's a lot of cool concepts in the book that look like, kind of the butterfly effect, right? When twins might take the SAT on different days, slightly different moods, they get different scores, so they end up with a different career path, and all that stuff amplifies over time. And that's just kind of a microcosm of what can happen with luck in different fields with all other things being equal. And one of the super interesting points that I'd love to hear you speak to, is that even when it comes down to talent and work ethic, often the most talented and hardest working people can be undone, by somebody with a certain amount of luck. And you mentioned also that often enough, and usually in fact, the most successful people are not only talented, they're not only hard working, but they are also lucky.

ROBERT: Yeah I think we've seen the role of luck actually get bigger in recent decades and that's been in part because of new technologies that let the people who are best at what they do, serve larger and larger shares of the total market. So if you were the best tax accountant at one point in history, you had a claim to the most valuable clients in your town. There were two waves of technology that disrupted that industry. The first one was H&R Block and other services that demonstrated that you could take, high school graduates essentially, and have them do 90 percent of the work in filling out people's tax returns. You'd

have a few accountants in the back rooms to answer the hard questions. So, money that flowed to local accountants, began flowing to the organizers of these franchises.

The next wave came when people wrote software programs that would guide you through the preparation of your own taxes. And there were hundreds of those, and there was a real dog fight in the market, and finally critics anointed TurboTax as the most comprehensive, user friendly, version of those. And now TurboTax gets the lion's share of all the remuneration that comes in for tax accountants all over the country and increasingly, all over the world. So if you're the best at what you do, now, you get a worldwide reward -- what people are willing to pay to have the best world wide rather than from being the best in your own narrow niche in a local markets. And what that sets up is a huge tournament. Everybody is trying to be the winner.

There are thousands often tens of thousands, maybe even hundreds of thousands of contestants in these winner take all contests. There are natural limits on how hard you can work and how smart you can be, so there are lots and lots of people bumping up against those natural limits. Let's find the contestant out of the many thousands of them who is the smartest, hardest working in the whole set. How lucky will he be? Well since we've chosen him, without regard to luck, only because he was the hardest working, most talented, his luck will be neither good nor bad, it'll be average on the luck scale. There are going to be hundreds of people who are almost as talented, almost as hardworking as he is. On average, they'll have average luck too, but there will be a small fraction of them who will have very good luck. That's true of any large set of people. Some are lucky, some are unlucky. And since there will be so close on the heels of the hardest working, most talented contestant, the fact that they were much luckier than that contestant, means that they're going to beat him even if luck counts for only one or two percent of total performance.

And so it's more and more the case, and we can show this mathematically, it's more and more the case that the most

talented contestant will not be the winner of contests like these, and it will almost always be somebody who is almost as talented and hardworking but was a lot luckier. So yeah, luck's role has gotten bigger for really two reasons. For the reason I just described and because if you win, the amount you get is so much more than what you would get if you don't win. So, the stakes are higher and the role of luck is also higher.

JORDAN:

It seems like, maybe we ignore this in part, not only because of hindsight bias, where we look at our own success 30 years on and say, "Oh, it was inevitable because of my work ethic and how naturally smart I am," and something like that, but we also see examples of this, kind of in the wild, and it's so hard to quantify. And I think that might be one of the reasons that we ignore this. We ignore the fact that we might have great parents or we thank them in our oscar speech. But we might ignore our country of birth, we ignore our health a lot of the time. We ignore the fact that we had tax advice when we were 20 instead of getting it when we were 50, right? Even guys like Bill Gates, who are by pretty much any measure, brilliant, hardworking, talented folks -- he happened to go to a school that had unlimited access to computers. Can you speak to that example? I thought that was a really interesting example that I'd never even heard before.

ROBERT:

Yeah, Bill Gates, to his real credit, very quick to acknowledge how lucky he was in the circumstances in which he grew up. He was from a well-to-do family in Seattle. He went to one of the first high schools ever to offer, essentially real time turn around on computer programs submitted. I'm 10 years older than he is. I remember learning to program in college. We had to type out our programs on punch cards. We had to walk up a steep hill to turn them into the computer center.

The very next day, 24 hours later, the program would come back as a print out identifying syntax errors of various sorts. It didn't even run. You'd try to fix those, you'd resubmit, you'd come back up the steep hill the next day. Two or three days later, you'd have gotten it to run but before you ever made any real

progress, a week would go by. Gates could turn his program and then seconds later, get the results, and fine tune it and adjust it, and experiment. There were hardly any kids who had access to that before he did. And he's quick to acknowledge how important that was in his development.

He doesn't write about this, that I know of, but others have written about the fact that IBM made a critical error in allowing him to keep the rights to the DOS program that he had purchased for IBM when IBM was launching its first, personal computer. If IBM had kept the rights to that program, none of us would have ever heard of Bill Gates. He's very clear that chance events played an enormous role in his life, but they were small things that occurred early on and, you know, all the hard work and the brilliance, those things stand out, but those little moves that occurred and could easily have turned out very different, don't come so readily to mind when people look at his career.

JORDAN:

Right and even things like birth order, and the family history that you have, can fall into place. One of the examples from the book that -- I had to read it twice because I just thought, "Is this even true?" If you're born in winter, you tend to be bigger and stronger than your classmates therefore you can get on more sports teams, you can get more leadership opportunities as a result of that. And there's a study that follows these kids through high school, which of course, if they're taking on leadership positions in high school, they lead to better college applications, which also leads to more leadership opportunities later in life, which leads to higher salaries, which will lead to dot, dot, dot, health and lifespan, and all the effect that salaries have on that. All because of the month in which you were born.

ROBERT:

You don't imagine that that would matter much. Malcolm Gladwell wrote about this in hockey players in his book [*Outliers*](#). If you're born in January, February, or March, you're grossly overrepresented in the NHL. Many, many more players born in those months than were born in October, November, and December. And it's for exactly the reason you cited. If

you're born in the early months of the year, you're one of the oldest players on your youth league team, and that advantage carries through all through high school and into college in the pros. So, CEOs who are born in July and August -- the school start dates differ in different parts of the country, but if you're born in the summertime, you're probably among the younger kids in your class. CEOs who were born in July and August, are way less numerous than would be expected proportionately, because they didn't have the opportunities to emerge because of their relative young age as they went through school. Even in economics, there's an interesting finding of this sort. In economics, it's the tradition to list co-authors on a paper alphabetically.

What the study found was that the top economics department, in terms of national rankings, you were more likely to be promoted if your name started with the letter that fell closer to the front of the alphabet. Why? Because you were more likely to be cited at the beginning of the list of authors, and hence more noticeable to people, and hence you have a slight leg up in forming a national reputation on the basis of that. So yeah, these things don't seem like they would matter, but, you know, the contests that we enter, unfold over the course of a lifetime, and it's like the old tale of the butterfly flapping its wings in China. There's a hurricane in the Caribbean that occurs that wouldn't have occurred except for that butterfly.

JORDAN: Right, exactly. The same thing thing I've mentioned with the twins and the SAT scores. One had a cold and the other didn't and dot dot dot, one's a doctor and the other one isn't. What about the network effect? How does that exacerbate the effect of luck?

ROBERT: The things we do often are more valuable to us if more other people are doing the same things we're doing. So you want to read a book. What book should I read? You could say, "I just want to read the best book, and that's all I care about." But another thing you probably care about in addition to reading the best book is to have an opportunity to discuss the book you

read with other people. And you can't do that if you read a book that no one else reads. And so, if you have two books of equal quality, you're going to get the same benefit from reading one as the other, unless one has a stronger readership. One's on the bestseller list and the other one isn't. Then in addition to getting the same enjoyment, you would have from reading the other book, you're going to also enjoy more opportunities to discuss that book with friends who will have read it as well. So when that's true, the saying, "Success breeds success," holds with a vengeance.

Duncan Watts did a great experiment. He had a website called MusicLab. Duncan Watts is a sociologist, researcher who works at Microsoft. MusicLab had 40 indy bands listed on it, each with one of their songs. You probably have never heard of any of these bands, I hadn't. The songs were free to you. You could download any one you want, on the condition that you give it a rating. And so, people downloaded them, they gave them their ratings, and that was the basis for objective quality rankings of the songs 1-48.

Then he set up eight separate websites that were just like the first one. Different people went to each of the eight. What they saw was the same 40 indy bands -- 48 indy bands had songs to go one with each. But in addition to that, they saw how many times each song had been downloaded, and the rating it had gotten so far from different people. And they focused on one particular song. The pattern was that some songs most people did like, other songs most people hated. Those were the minority, both those categories. The majority of songs had mixed ratings. Some people liked them, others didn't.

One song with medium rankings, it was ranked 26 out of the 48, in one of the websites, one of the eight, it ranked number one. In another one, it ranked number 40. So it was either a great song, according to people who listened to it and evaluated it, in one environment. In another environment, it stunk. So what's going on there, apparently, if the first person who downloads your song, and rates it, happened to like it -- remember these

are songs that some people like, others don't -- then that creates a halo effect that makes the song more popular each and every time somebody else gives it a rating. So the songs, we know how good they are objectively, at least from that operational measure he constructed. But, how well they do, depends in part on pure chance. Did somebody who liked your song happen to listen to it first? Well good for you. You're going to do well. If somebody who hated your song listened to it first, you're going to fall off in the other direction. So there's a lot of room for social dynamics and networks and all these processes. They're mostly things that we don't notice. You know, we usually say that the good songs win, the bad songs lose. And certainly quality matters but it's not all that matters.

(COMMERCIAL BREAK)

JORDAN: It's so funny how things like this, the butterfly effect, network effects, we see this with VHS versus Betamax, Windows versus Apple, and things like that. And it's a little depressing, right, in some ways because what are our options? If we can't focus on luck, because we know we've got to focus only on what we can control, now what? We've got to have a mixture of talent and hard work? Is there more to the story? What do we lean on ?

ROBERT: You know students ask me, "What should I do? I want to succeed."

(laugh)

JORDAN: Be lucky.

ROBERT: What I tell them is to try to think of an activity that you've engaged in that caused you to lose all sense of the passage of time. This is a psychological state the psychologists call flow.

JORDAN: Flow.

ROBERT:

And some people have never experienced that state but most people have on some occasions or others. And I say, try to find a job that will let you engage in that activity for a substantial portion of your time. It may not be a job that pays well. Or maybe it is one that pays well. Forget about that. If you get a job like that, you're going to become an expert at whatever you do. Why? Because you love to do it, you're going to be engaged fully, in the process of doing it. To become an expert is really, really hard. But it's the most important thing to do if you want to have a chance to succeed. If you're not really good at something, probably you won't succeed. That's the way the competitive environment has evolved, as you well know.

So, if you find a job that you love, if you find something that really engage you so fully that you lose any sense of any passage of time. It's going to be a lot easier for you to become an expert. So those are things you can control. Whether you get a break, whether events unfold in your favor or not, maybe you can't control that. But at the very least, you're going to end up working at a task that makes your day go by in a very pleasant way. And that's not such a bad outcome. So yeah, focus on what you can control, I agree. As a society, there's a great deal that we can control. I say that the most important ingredient for success is to be born of the right parents at the right time in the right place. Being born in Somalia, not good. Being born in the United States, at a certain point of our history, the best possible thing that could happen to you.

What the environment is like, we can control, even though I can't control it and you can't. We need to make investments to create opportunities for people to succeed. And I think, if we recognize, that the environment plays a big role in explaining why people are able to succeed in the first place, then I think we're more inclined to want to make those investments. Nobody wants their kids and grandkids to grow up in a country that increasingly resembles a backward land that doesn't provide opportunities and good ladders for people to climb into what their full potential holds for them.

JORDAN: Sure, and no offense to the AoC Brazilian listeners, but we look at countries like Brazil with massive inequality, and lots and lots and lots of corruption, and you think, "Wow, okay, is that the direction that we want ahead? Even if I end up a billionaire, is it worth it? Do I want to drive my Bugatti on a road that's full of potholes and can't stop because I'm going to get shot at? I mean, I don't think so." And I'm not saying Brazil is like that everywhere, of course, but we see things like that in countries with great inequality. So if you're listening to the show right now, on your smart phone that you bought with your credit card, here in a Western country, and you're thinking, "Gee I just can't catch a break," the truth is, you've caught many breaks, possibly by birth right, just to find yourself where you are right now.

ROBERT: Yeah and I think the pity is that we haven't really been willing to make the investments that are needed to maintain that advantage for our citizens. You know, when I graduated from college -- I went to Georgia Tech. That's a state supported school. There was very heavy support from taxpayer dollars for students who went there. I graduated with a very good education and zero debt. No debt at all. If I'd graduated from college today, coming from the family I came from, I'd have \$40,000 in debt, maybe more than that. And so --

JORDAN: Yeah.

ROBERT: -- I'd be starting my career with the miracle of compound interest working against me, rather than for me. It's a huge difference. The smart kids in math, if they come from a low income household, they're less likely to graduate from college in the U.S. now. The dumb kids in math, who were born into more wealthy households, that's not a situation that anybody is willing to say publicly is the way things ought to be. We ought to be having people succeed or not based on how hard they work and what talents they bring to the table, not based on, you know, whether they happened to be born with money in the family.

JORDAN: Sure, yeah I -- and I think the example of Bhutan, the guy that you had met in Nepal when you were in the Peace Corps -- was that your story?

ROBERT: I was a peace corps volunteer in Nepal for two years. I had a cook, his name was Birkhaman Rai, he was a Bhutanese hill tribesman. He is probably to this day, the smartest, most industrious guy I've ever come in contact with personally. There was nothing he couldn't do. He learned so quickly and was so proficient. But probably, the apex of his lifetime's earnings trajectory was the pittance I was able to pay him out of my peace corps stipend. You know, there just weren't opportunities for him to go anywhere.

JORDAN: Oh, that's insane to see the difference.

ROBERT: He would have been a wealthy guy here probably. Or at least successful to a reasonable degree. But there, there were no options, you know? Napoleon said, "Ability is nothing without opportunity." You need to have a field to plant the seed, you can't just have a seed with no place to grow.

JORDAN: So knowing that the most successful people in any field are almost always lucky, not just talented, not just hardworking. Is then our end game here, our strategy, to get more chances to play to increase frequency, and therefore probability and therefore our chance to get lucky? I'm trying to turn this into a teachable moment here for the audience, so that we can find out, "Okay we know that it involves this. This is good because it means that, I stand a fighting chance if I'm not the most talented. But also it means that even if I am hardworking and talented, I need to rely on luck. How do I increase my luck?"

ROBERT: Yeah, I think there's a literature now on the psychological trait of resilience. When you fail, or get dealt a bad hand, are you able to pick yourself up, dust yourself off, and get back in the game? That's an important trait and I think for the reasons you just suggested. If you're trying to draw a white ball out of an urn that's got only one white ball and lots and lots of black balls in

it, then the more times you draw, the better your chances will be of drawing that white ball. So sure, if you're persistent, if you keep attacking the goal again and again, you're much more likely to succeed. But we know, that there are people who have that quality, who are talented and they try many times, and yet they don't succeed.

It's not sufficient but you're much more likely to succeed if you take that attitude toward your life. But the really key step, is to get unusually good at something. In a winner take all economy, it's the people who are best at what they do, who are going to get the biggest rewards. And you're not going to get to be the best at what you do, unless you find something that you really love doing because otherwise, it's going to be just too difficult to stick with it and put in the necessary effort to do that.

JORDAN: Right and the effort is what leads to sort of the time and grade and the time and grade is what essentially is us, constantly drawing, trying to get the black ball out of the pot, right? Constantly playing the game.

ROBERT: Exactly. I couldn't put it any better.

JORDAN: Perfect, yeah. The -- one of the concepts that I also thought was quite interesting, that I had never thought about was, how the idea of bad luck actually serves us because we don't view negative outcomes as an inevitable because of the luck factor, right? We don't look at our situation and go, "I'm totally screwed. I can never do this." Well, at least successful people, and people with growth mindsets rarely do because we think, "Well there's always the chance I'm going to get lucky," and it turns out a lot of those people are right.

ROBERT: You know there's a very robust finding by psychologists. It's that when we succeed, we attribute our success to hard work and ability. When we fail, we attribute our failure to bad luck. Some authors have suggested that that asymmetry may be perversely adaptive. So if you think about it, you've succeeded and you attribute that to your skill and effort, those are

persistent qualities in a person. So if another opportunity comes along, should I take it? Should I venture into this new possibility? If what it takes to succeed are skill and effort and I've succeeded in the past and I say it's because I have those qualities, well I've still got those qualities. So sure, I should accept this new challenge. What if you fail? Well if you say it's because I was unlucky that I failed, now a new opportunity comes along. Should I take it? "Well I was unlucky the last time. By its very nature, bad luck won't happen every time, so why shouldn't I take it? I'm not going to be unlucky forever. I'll keep taking it until my luck changes." So yeah, it's not always adaptive to believe things that are strictly true. Sometimes believing things that are not quite good descriptions of the way the world really is, may help you overcome certain other psychological tendencies that would be destructive to you. Yeah, so it's a complex world that we live in.

JORDAN:

Yeah this is very, very interesting because we can harness this and make it useful for us. Not just highlight the role of luck and success, but also look at it from both the right-side up angle, and I put that right-side up in air quotes, I guess here because we're looking at a double ended problem, where yes it is tough to realize that this -- it's a jagged pill to swallow that you might be super hard working, super talented, and somebody might get the jump on you because they were in the right places at the right time. However, we can also maximize our opportunity to be in those places at the right time by making sure that we are developing skills. We are developing grit, we're developing persistence, we're developing resilience. All of the concepts that we teach here, at The Art of Charm, on the show, so often, and then utilize that to play the game so many times that we just constantly seem to be getting lucky. And it kind of goes back to that -- is that an Edison quote? "The harder I work, the luckier I get."

ROBERT:

Yeah.

JORDAN: Maybe it's more like, the harder I get, the more frequently I experience the effects of luck. Which isn't -- doesn't quite have as much of a ring to it, so I see why he phrased it the other way.

ROBERT: Sure, sure. Yeah, there are all sorts of sayings in the popular culture that encourage us to sort of set the view that luck matters to one side and believe, contrary to reality perhaps, that it's really just about hard work and talent.

JORDAN: Why is it important to highlight the role of luck and success? Yes we have the illusion of control, where we think we're responsible for more than we are because, you know, we often don't see things that we can't control or had nothing to do with in the first place. But there's some research that shows, that when we're reminded of luck's importance, we change our behavior.

ROBERT: Yeah, it's a very fascinating stream of research. I'll describe one experiment that my research assistant Selena [0:45:47:6] came up with on her own. It sort of captures the general idea. She asked a group of volunteer subjects to think of a good thing that had happened to them recently. One group, she said, "Name three things you did that caused that good thing to happen." A second group, she asked to name three things that were external to you, things you didn't do, maybe things in the environment that happened that were instrumental in causing this good thing to happen. And then a control group, she just said, "Name a good thing that happened to you." At the end, she gave them a bonus. They knew they were going to get a bonus for completing the survey.

She gave them the opportunity to give some or all or any part of their bonus to one of three charities, their pick. The group that was asked to think of things they personally had done, gave about 25 percent less to charity than the group that was asked to think of three external things that had caused the good thing to happen. And the control group landed roughly in the middle between those two.

That's consistent, that experiment, and its findings, are consistent with a very broad literature that induces subjects to experience the emotion of gratitude. It's a common human emotion. When you get somebody to experience that emotion, a whole cascade of things happen. They get happier by the usual measures. They get healthier by various objective measures. They get along better with other people. Other people are more likely to like them or think highly of them. And they become more willing to contribute to the common good. All those things happen just from manipulating people into a situation where they're likely to experience the emotion of gratitude. It's interesting to read about the manipulations they use to induce that emotion. Maybe they'll put you at a spot to do a task, a computer crashes, and then somebody comes along and says, "Oh, don't worry that you just spent an hour doing that and you lost all your data, that happened to me too last week. I know how to fix that." And he just pushes a few buttons on the computer and miraculously recovers all the lost data.

So we know that subject who was helped in that way experiences gratitude. And there are a whole host of manipulations like that, and they just have consistently this interesting panoply of effects. No bad things happen when you experience gratitude. Only good things happen. And so, if other people like you better, well we all know that humility within reasonable limits is an attractive psychological trait. If other people like you better, aren't you more likely to get ahead? How do you succeed in this economy? It's by being a member of a high functioning team. Well everybody wants to be on a team like that. Teams like that don't need just anybody to join them. They can be picky.

If you claim credit for everything good that's happened to you, you're almost certainly claiming more credit than you're entitled to. Who wants a jerk like that on their team? Lighten up, be grateful. Savor your good fortune and you'll be better off in every measurable way, if you do that.

JORDAN: Yes it seems like gratitude, luck, looking at the role of luck in our lives, and not focusing, of course how it can cause us problems, but focusing on our abilities to not only create more of it, play the game more, but focusing on everything that we can control in order to maximize our chances of getting lucky. It's almost like saying maximize our luck in terms of getting lucky. It's an interesting set of data and it's an interesting discussion and thank you so much for coming by and doing this with us.

ROBERT: It's been a total pleasure for me to do it.

JORDAN: Interesting discussion. I loved the fact that we have to acknowledge luck in our success but also there's a take away here. It's not just a, "Well you know, some people -- some guys have all the luck," it's the ways of making the luck, using the concepts taught at AoC boot camp, using the concepts taught on the show here. Grit, resilience, persistence, networking, relationships, things like that. Great big thank you to Robert H. Frank. The book title is [*Success and Luck: Good Fortune and the Myth of Meritocracy*](#). We'll have that linked up in the show notes as well.

If you enjoyed this one, don't forget to thank him on Twitter. We'll also link that in the show notes. Remember, if you're on your phone listening to this, you can tap the screen. The show notes should pop right up. I'm also on Twitter @theartofcharm and it's a great way to get ahold of me, Jason, and engage with us there. I also post a lot of things that aren't shared on the show. Our boot camps that I mentioned earlier on the show, those live programs down here in L.A., that's at bootcamp.theartofcharm.com.

The live program is by far and away my favorite part of running AoC. Taking the concepts we discuss on the show, plugging them into your head and drilling you until you're blue in the face. It's more fun than it sounds. And remember, we're sold out a few months in advance, so if you're thinking about it a little bit, you should get in touch ASAP. Get some info from us so you

can plan ahead. I also want to encourage you to join the AoC challenge at theartofcharm.com/challenge or if you're in the States, you can text the word charmed, C-H-A-R-M-E-D to 33444.

That challenge is about networking, it's about connection skills, it's about relationships, personal and professional. We'll also send you that fundamentals Toolbox that I mentioned earlier on the show and I do videos with drills and exercises to help you move forward. The idea here is to make you a better networker, a better connector, a better thinker, maybe a little more lucky, now that I think about it. I don't know. That's theartofcharm.com/challenge or text charmed in the U.S to 33444. For full show notes and all previous episodes, head on over to theartofcharm.com/podcast.

This episode of AoC was produced, as always, by Jason DeFillippo. Jason Sanderson is our audio engineer and editor. And the show notes on the website are by Robert Fogarty. I'm your host Jordan Harbinger. Go ahead, please, tell your friends. Because the greatest compliment you can give us is a referral to someone else, either in person or shared on the Web. So stay charming, and leave everything and everyone, better than you found them. And go get lucky, right? That's the -- that was the point of the show.

