

On a wealth of self-delusion

In which an economist explains to the rich that they needed luck, Danny Dorling writes

Success and Luck: Good Fortune and the Myth of Meritocracy
By Robert H. Frank
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Robert Frank was a lazy procrastinator by nature. Luckily for him, he had no trust fund and had to work. He was overlooked by his baseball coach, despite his great ability, and became an economist instead. He secured tenure mostly through very good luck. He was also lucky to escape death twice – the first time trapped underwater in a windsurfing accident, and the second, suffering cardiac death while playing tennis, when he was given only a 2 per cent chance of survival. Had Frank, now in his seventies, not lived long enough to escape the vanity of youth, long enough to contemplate all these chance events, he would have left a very different tale in his wake.

Frank is the most successful popular economics writer in the world. He also procrastinates and has fun, but when he writes he does not waste time. He wants all of you, but especially those of you who are rich and successful, to understand the tailwinds that got you to where you are, and your luck in not falling at various hurdles. He explains that to do well in business it is easier if you believe you deserve credit for all you achieve, but that as a human being you should know this is nonsense. He explains how high marginal taxes are the opposite of theft, because they reduce the bidding power of those who are competing with you for houses, or even places to moor yachts in the marina. And he talks directly to those who own such yachts. He tells them that they often did work hard, but that their talents are always overstated. For every one of the very successful, there

were many other more talented people who worked harder, but never had the opportunities – and the luck.

Luck is the key. Luck chooses your parents, or propels you despite them. However, the affluent, and especially affluent men in the US, will believe implausible flattery: “People want to feel good about themselves, and they’re more likely to enjoy the warm glow of a positive self-image if they think of themselves as highly competent and attribute their failures to events beyond their control...failure to appreciate luck’s importance has made successful people more reluctant to pay the taxes required to support the investment necessary to maintain a good environment.”

For particular criticism, Frank singles out Stephen Schwartzman, CEO of the private equity firm Blackstone, as the epitome of a man who does not understand how luck got him to where he is and helped shaped his views – which so many decent people find so repellent. But Schwartzman’s beliefs will not prevail, says Frank, because “the long-run historical narrative bends toward truth”. Frank reports experiments that show women to be more discerning than men about the role of luck. He explains how the rich would be no less happy if they spent less on cars, jewellery and celebrations for special events, and if their mansions and diamonds were smaller. He ends: “the consensus can flip with surprising speed once good arguments begin to find their footing. And those arguments can only spread one conversation at a time.” Frank is lucky – and very persuasive. And now, he is talking directly to the rich.

Danny Dorling is Halford Mackinder professor of geography, University of Oxford, and author of *A Better Politics: How Government Can Make Us Happier* (2016).