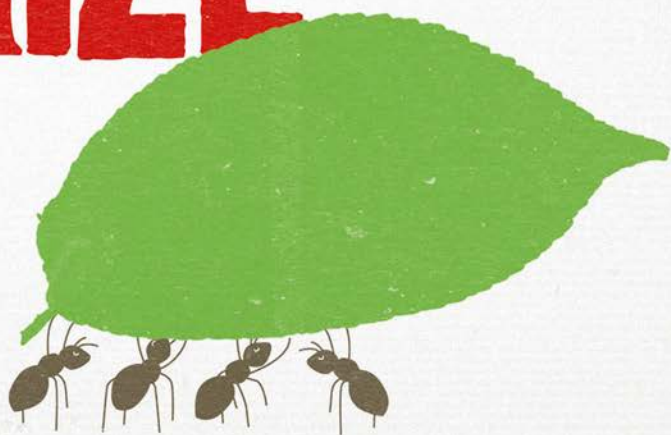


**A** WHY COMPETITION ISN'T  
EVERYTHING AND  
HOW **WE** DO BETTER

**BIGGER  
PRIZE**



**MARGARET HEFFERNAN**

# A BIGGER PRIZE



# A BIGGER PRIZE

Why Competition Isn't Everything  
and How We Do Better

MARGARET HEFFERNAN



SIMON &  
SCHUSTER

London · New York · Sydney · Toronto · New Delhi

A CBS COMPANY

First published in Great Britain by Simon & Schuster UK Ltd, 2014  
A CBS COMPANY

Copyright © 2014 by Margaret Heffernan

This book is copyright under the Berne Convention.  
No reproduction without permission.  
All rights reserved.

The right of Margaret Heffernan to be identified as the author of this work has been asserted by her in accordance with sections 77 and 78 of the Copyright, Designs and Patents Act, 1988.

1 3 5 7 9 10 8 6 4 2

Simon & Schuster UK Ltd  
1st Floor  
222 Gray's Inn Road  
London WC1X 8HB

Simon & Schuster Australia, Sydney  
Simon & Schuster India, New Delhi

[www.simonandschuster.co.uk](http://www.simonandschuster.co.uk)

A CIP catalogue copy for this book  
is available from the British Library.

ISBN: 978-1-47110-075-8  
ebook ISBN: 978-1-47110-077-2

Typeset in Bembo by M Rules  
Printed and bound by CPI Group (UK) Ltd, Croydon, CR0 4YY

For Lindsay



# CONTENTS

Introduction	1
PART ONE: Personal Best	9
1 Oh, Brother!	11
2 Making the Grade	34
3 The Morning After	69
4 Angry Birds	92
5 Keeping Score	128
PART TWO: The Case of the Purdue Chickens	177
6 Only the Impresarios Succeed	179
PART THREE: The Business of Winning	239
7 Clone Wars	241
8 Supersize Everything	268
9 How Low Can We Go?	307
10 Top of the World	338
11 A Bigger Prize	369
Notes	377
Bibliography	393
Index	425





## INTRODUCTION

On a beautiful August day, the New Hampshire sunshine streamed through the tall pine trees surrounding the Cheshire County Fair. On the outer perimeter, carthorses and pigs were scrutinized and judged, some garnering rosettes, others returned to their owners, for whom they were both livelihood and pets. Kids could try their hand at milking cows and goats or driving their first tractor. After lunch, Slackwire Sam unicycled up and down his loose clothes-line; in the far corner of the fairground, tug-of-war was scheduled for the end of the day.

An inner circle of food stalls offered fried dough, blossoming onions, corn dogs and cotton candy. Families four abreast carried paper cartons of calamari and chili fries, or cones overflowing with fluorescent ice cream. Clutching goldfish in plastic bags, three young girls compared prizes while twin brothers walked side by side, sporting matching t-shirts: 'The 2nd amendment: America's original homeland security'. In the dusty heat, we all sauntered slowly, eating, talking and seeking out small patches of shade when, over the loudspeaker, came the announcement: the demolition derby was about to begin.

Gently – it was too hot to rush – the direction of the crowd turned towards the central stadium and up the bleachers, where the seats in the shade were soon occupied. Conceding defeat, the rest of the spectators shifted reluctantly towards the sunny side, spread out and donned hats. Aficionados placed towels carefully on their laps.

In the centre of the arena, eight rusty wrecked cars rev their engines. Car 49 sports flags decorated with skulls; car 38 proudly promotes its sponsor – WB Paint Worx – in hand-painted electric red, white and blue logos. Car 72 displays steer horns on its roof while car 3 advertises McCue's billiard hall in nearby Keene.

‘Are you ready?’ the loudspeaker blares. The crowd starts to join in the countdown: 5 ... 4 ... 3 ... 2 ... 1 – and the cars reverse out of their alignment, struggling to gain traction in the dust. Now they’re off, whirling and spinning as they drag themselves into collisions. The goal is demolition and the last car left running wins the prize.

‘Get serious guys – we need some contact!’

As the cars drag themselves around the arena, radiators steaming, the spinning tyres throw up dirt made damp from oil spills and water. The crowd screams and ducks as it goes flying, landing on laps and smearing my sunglasses. Now I understand why the woman next to me brought her towel: this is part of the fun.

‘Eileen, you gotta hit somebody!’

Driving car 23, Eileen can’t possibly hear the crowd through her crash helmet but she knows what to do. Whizzing around, she heads off to smash into car 49, an easy target as its under-carriage drags along the ground. Then she backs up and charges into the corner where Kyle in car 25 is stuck, trapped by three dilapidated vehicles that back up, accelerate and smash into him. The radiator explodes against the arena wall, the car accords and Kyle is out of the game. Once a car can’t move, all the rest move in to pulverize it.

With doors, bonnets and fenders now dispersed across the dirt, just four vehicles remain. 72 can only drive in reverse now and limps with a flat tyre. Everyone is starting to lose power but the derby can’t finish until one more goes down. As if sensing blood, cars 35, 66 and 72 head for Eileen but she outmanoeuvres them, gets behind 35 and, catching it on her front fender, rams it against the wall.

‘We’ve got our three!’ and the crowd erupts into applause as the local fire brigade walks onto the field to clear the wreckage and prepare for the final.

As I sat in the stands, on that beautiful August day, I couldn’t help but think I was watching some kind of parable. All around the world, rusty, dilapidated institutions and ideas seemed to be crashing into each other, driven by a competitive spirit that offered the brutal simplicity of winners and losers. After five years of corporate breakdowns, ethical corrosion, financial crashes, stalled politics

and overheated rhetoric, all that remained was the grim drama of the contest.

Wherever I looked, competition had become the default motivator, as though, exhausted and demoralized, no culture or politics could proffer a superior driver or decisive alternative. As complex social, financial, legal and environmental challenges piled up on one another, a kind of despair seemed to descend: we don't know what to do, let the market decide. Put it out to competition, make people compete, the best will rise to the top – won't it?

Fans of competition regularly looked to Charles Darwin for intellectual support. Most cited 'survival of the fittest' without recognizing that the term came, not from Darwin, but from Herbert Spencer, who had handily translated 'natural selection', giving it his own favoured political spin. Since a world of winners and losers was natural, the social Darwinians argued, we would do better to tone our competitive muscles than question the ways of nature. We are, after all, the product of an evolutionary contest in which the best of our genetic inheritance has survived while the rest perished. Although even Darwin scholars couldn't agree whether Darwin himself would have been a social Darwinian, nature itself seemingly provided the ultimate alibi.

They were hugely aided by the many people familiar with (but had never read) Richard Dawkins's *The Selfish Gene*. No wonder publisher Tom Maschler suggested the book might better be called *The Immortal Gene*. As Dawkins himself conceded in the thirtieth-anniversary edition, many people took the title at face value, didn't bother to read the text and concluded that the book must be a vindication of raw, unbridled selfishness. The selfish gene is only out for itself, it is who we are, and there's nothing we can do about it. That the book said nothing of the kind – in fact mounted an eloquent and powerful counter-blast – didn't matter. The title had become the work.

Nor were the avid competitors devoid of data. At the end of the nineteenth century, one of the world's first social psychologists, Norman Triplett, had demonstrated that cyclists rode faster against a competitor than when cycling alone. And, even though much of Triplett's subsequent work added layers of refinement and contingency to his result, the headline stuck: everyone works harder,

faster, better when they're up against each other. Sport became the ubiquitous metaphor, profusely obscuring what it sought to illuminate.

As a consequence, organizations – public and private – have come to rely on competition to choose and motivate people; to inspire investors and consumers; to justify everything from doomed mergers to sweatshops and price hikes. What's been tested by competition must be better. Never mind the cost, never mind that competition is designed to benefit the few, not the many – we live in a dog-eat-dog world and what matters now is to be top dog. Schools may no longer be about learning, work may not be about self-fulfilment and society may not be about relationships anymore; what matters is to read the manuals, bone up on techniques, buy the equipment, pay the trainer, swallow the supplements and always keep score.

Winners were, of course, always more susceptible to this argument. Since competitions work for them, they find it understandably hard to see what might be wrong with their strategy. Losers rarely write history. And, anyway, competition is fun; it's dramatic and exciting; there's a winner and you always know just where you stand. At a moment in time when no one seems to know where to go or what to do, isn't that clarity good enough?

And yet, just as we'd learned that individuals weren't rational and markets weren't efficient but went ahead operating as though they were, so we also recognized that competition quite regularly didn't work, the best did not always rise to the top and the so-called efficiency of competition seemed to throw off a very great deal of waste. It was comforting to designate these ideas 'perverse outcomes' as though each one was an anomaly; but as aberrations mounted, they started to look more like a norm.

This is where the Prisoner's Dilemma\* came into its own.

\* The Dilemma poses what looks like a simple scenario: two members of a gang are arrested and placed in solitary confinement where they have no means of communicating with each other. The police don't have enough evidence to convict the two on the main charge, so they plan to sentence each to a year's imprisonment on a lesser charge. But they also offer a bargain: if one testifies against his partner, he will go free and the partner will get three years in prison on the more serious charge. As in all good social-science scenarios, there is a catch: if both prisoners testify against each other, they each get two years in jail.

Dreamed up and given its name by a Canadian mathematician, Albert W. Tucker, the game has been used to model competition and the variety of ways in which it can play out. It has been applied to so many problems and settings – from the Cold War to drugs in sports – that it has been called the ‘e-coli of social science’. Game theory is largely absent from this book – I’m far more interested in practice – but in all its many permutations, one finding remains critical: when each prisoner competes for himself, instead of collaborating with his fellow, they both lose. The individual pursuit of self-interest proves collectively defeating.

Over the last fifty years, we have seen this played out on an epic scale. In our quasi-religious fervour to compete, we have expected fabulous efficiencies, miraculous economies, infinite creativity and dazzling innovation. Instead, we’ve found ourselves gasping for air in a sea of corruption, dysfunction, environmental degradation, waste, disenchantment and inequality – and the harder we compete, the more unequal we become. This is no coincidence but the inevitable outcome of our faith in competition as a simple panacea for the many and complex challenges that we face.

Winning always incurs costs. When siblings grow up in rivalry, they struggle to relate with trust and generosity. When schools celebrate the top of the class, they demotivate the rest. When the rich win tax cuts, inequality grows. As sports become fiercer and richer, careers shorten and injuries abound. When executives are encouraged to compete for bonuses and promotions, it costs them friendships and creativity. An obsession with score-keeping constrains thinking and undermines the very innovation it hopes to spark. When pharmaceutical companies win patents on lookalike drugs, it costs us critical new medicines that never get developed. When food producers aim to dominate their markets with low prices, it costs us all in environmental and social degradation. And when the pressure to win exacerbates cheating and corruption, it costs us the legitimacy of our institutions and the credibility of our beliefs.

Over the last fifty years, we have leaned heavily on competition, hoping that it will solve our problems, motivate our children, inspire adults and reinvigorate companies and institutions. But we have shied away from the uncomfortable truth that our exaggerated

veneration for competition has left us ill-equipped to solve the problems it has created. If we are to invent new ways to live and work together, we need high levels of trust and give-and-take: elements that competition so specifically and subtly corrodes.

As if in recognition of this, a rising generation seeks avidly for the tools and environments in which sharing, co-creation and trust are endemic and reinforced. And, increasingly, they are not disappointed. Evolutionary science has shown us that the human ability to collaborate and cooperate explains why we have survived to defy gravity and build monuments of lasting beauty and meaning – because we know how to work together. New models for sharing information, pooling resources, organizing complex projects and inventing new products abound, amply demonstrating that great work, inexhaustible innovation and passionate commitment amply and easily supplant exhausting rivalries. The wildly collaborative creative individuals and organizations in this book testify to the human capacity to cooperate, share, look across broad horizons and dig deep together. Our talent for coalitions, our ability to cooperate, even the creation of language itself – the ultimate tool for collaboration – testifies to an immense human capacity for solidarity.

Perhaps the long legacy of the Soviet Union explains the queasiness with which the subjects of collaboration, cooperation and altruism are approached to this day. Rather as Darwin feared killing God, we fear that any renunciation of competition must kill capitalism and return us to the corruption and cruelty of the Soviet experiment. Such rhetoric is, of course, historically inaccurate – the Soviet Union incited competition regularly and viciously in all walks of life. But the polarization implicit in that debate reflects the poverty of our win/lose mindset, blinding us to the greater opportunities and energies that lie elsewhere. We can find better ways to live, to work and to rebuild our failed institutions for the many, not just the few. All around us are examples we can and must learn from.

We are all competitive but we are not only competitive. No book, sermon, movement or political party will ever change the insatiable human appetite for status and distinction. But working together is human nature and around us, if we look carefully, are

individuals and organizations that can show us the way. They know that growth, learning and creativity always depend on a vast array of people and ideas, freely shared and generously celebrated. They appreciate that fairness, safety and trust are essential to the unfettered exploration that generates new ideas. They don't accept that the only measure of success is the number of losers left in the dust. And, they entirely reject the idea that true achievement can be measured at any single moment in time. These trailblazers aren't driven by keeping score but are motivated instead by the belief that great work is done together, that efficiency is gained by trust and that safety opens the floodgates of the mind. They have everything to teach us – and sharing is what they do best.

When I started to explore these themes, the first response that greeted me was astonishment: you dare to question competition? What else is there? In the years that have passed, that reaction has shifted. Now, when I discuss my work, I see in people's faces and hear in their voices a sense of relief and hope. Yes, there is a better way to live and work. Yes, the alternatives are real, significant, practical and sustainable. There are forms of success that are better than winning. For all of us, there is a bigger prize.