



Competing to Conform

James Poulos

Friedrich Nietzsche gets a bad rap, for celebrating the will to power and leaving good morals by the wayside; in growing numbers, Americans are beginning to feel the same uneasy skepticism toward the Silicon Valley moguls who have come to thoroughly dominate our economy and imagination. For critics on the left as well as the right, today's tech titans are uncomfortably squishy, or indifferent, when it comes to partisan, ideological matters. Elon Musk sees no problem in exploiting subsidies to create transformative innovations. Jeff Bezos brings freshness to the media but uniformity to the market. Mark Zuckerberg seems as comfortable currying favor with Barack Obama as with Chris Christie.

In the age of Uber there is something about Nietzsche's *Übermensch* in them all—unnerving and

annoying precisely in the peculiarly American cast to their sovereign individuality. They're not fascist Aryan superheroes; to borrow a line from America's first movie sequel to broach the topic, "they're nerds, but they're men too, sort of."

Zero to One: Notes on Startups, or How to Build the Future
By Peter Thiel
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As Nietzsche knew, a democratic society like ours is supremely unlikely to produce any bona fide supermen. But supernerds? They're multiplying like rabbits, and they've got an open field. Nothing can stop them; certainly not the rest of us.

According to Peter Thiel, however, that scary conclusion is false, for an even scarier reason. In interviews, speeches, and his new book of adapted college lectures, *Zero to One*, Thiel—the most political and theoretical of the supernerds—raises the prospect of a remarkably comprehensive failure among our best and brightest.

Nietzsche lamented that the theory of evolution idealized biological and social progress through competition, producing nothing but a mediocre majority. For Thiel, the conceptual distortions of Darwinism are deeply engrained also in today's tech-business ethos:

Even in engineering-driven Silicon Valley, the buzzwords of the moment call for building a “lean startup” that can “adapt” and “evolve” to an ever-changing environment. Would-be entrepreneurs are told that nothing can be known in advance: we're supposed to listen to what customers say they want, make nothing more than a “minimum viable product,” and iterate our way to success.

Unfortunately, says Thiel, that process doesn't create anything really new; in fact, it plays to our most destructive instincts: “arguing over process has become a way to endlessly defer making concrete plans for a better future.” We're banking everything on what we secretly know is an empty hope that the future will just work out on its own. Instead of focusing on how to create specific futures, we create a frantic festival of iterative progress, just adding to what's come before. This inane competitive frenzy is more than an economy. It's a way of life. And, says Thiel,

it's unsustainable—in ways we don't want to admit to ourselves. Thiel's critique, it turns out, has much in common with Nietzsche's: Nietzsche worries that Darwinian competition breeds mediocre humans, while Thiel complains that commercial competition breeds mediocre companies. The principle of incremental success produces no true success at all; instead, it suppresses creative genius.

Zero to One is mainly “about how to build companies that create new things,” as Thiel writes in the preface. But it also contains a sharp critique of the reigning ideology of Silicon Valley that pervades the wider culture of entrepreneurs, and all the rest of us. The book thoroughly interweaves these themes: Thiel often pits his vision for startups against conventional business wisdom, and picks apart the conventional wisdom with a combination of personal experience, business analysis, and something approaching *Kulturkritik*. Thiel believes that America faces nothing less than a crisis in innovation—and he aims to show the way out.

Thiel begins by distinguishing between two kinds of technological progress: horizontal progress, which means “copying things that work—going from 1 to *n*,” and vertical progress, which means “doing new things—going from 0 to 1.” The modern world, says

Thiel, “experienced relentless [vertical] technological progress from the advent of the steam engine in the 1760s all the way up to about 1970.” Since then, the only significant innovation has been in the realm of computers and communications. Other longed-for fruits of technology—Thiel mentions dirt-cheap energy, vacations to the moon, and four-day workweeks—have remained beyond our reach, and now we barely even desire them, constantly hunched over our smartphones as we are.

For Thiel, the crisis did not arise merely from economic causes, but also from changes in our attitudes toward innovation. An outlook that he labels “indefinite optimism” has “dominated American thinking ever since 1982, when a long bull market began and finance eclipsed engineering as the way to approach the future.” The indefinite optimist is hopeful about the future but does not make any decisive plans to get there. In the business world, this corresponds to bankers who profit from sophisticated rearrangements of capital, management consultants who grease the wheels of established companies, and startups that devise slight improvements to existing technologies. Thiel points out that many of our brightest and most ambitious college graduates flock to these industries, partly because they don’t know what to do with their lives and partly because our

society lacks compelling alternatives. Indefinite optimism suffuses even the most gleaming corporate campuses of Silicon Valley, where Hewlett-Packard a few years ago shed its outdated “Invent” slogan for the ironically honest “Make it Matter,” and where Facebook now tries to devise marginally better ways to commodify its users’ private lives, though Thiel doesn’t say as much explicitly.

The problem with indefinite optimism, according to Thiel, is that no amount of it can bring meaningful technological progress. “Making small changes to things that already exist might lead you to a local maximum,” he writes, “but it won’t help you find the global maximum.” And with limited resources in a global economy, nothing less than the world is at stake. To find the global maximum, entrepreneurs must “transcend the daily brute struggle for survival” by building “creative monopolies”—creating markets where none exist, rather than dumping their energies into wringing the last marginal dollar of value from markets choked with belligerent competitors. For example, Google, as Thiel points out, has basically held a monopoly over Internet search since the early 2000s. For Thiel, the benefits of creative monopolies extend far beyond the companies themselves. While we typically think of monopolies as exploitative and domineering,

“creative monopolists give customers *more* choices by adding entirely new categories of abundance to the world.”

Creative monopolies require what Thiel calls “definite optimism,” which involves making bold, specific plans for the future, and taking risks to fulfill them. In Thiel’s analysis, Steve Jobs, NASA’s Apollo program, and even thinkers like Karl Marx exemplify this frame of mind. *Zero to One* can be seen as an argument and blueprint for a definitely optimistic world at a time when people have “long since lost faith” in a better future.

Thiel’s claim that startups should try to be monopolies may be hard for some to swallow. For observers obsessed with economic inequality, it sounds like a teaching of evil. Even for casual readers, the idea seems to cut too hard against the grain of our shared intuitions.

But, Thiel suggests, perhaps that is because there is something fundamentally misleading about the intuitions we tend to develop as a group. “Madness is rare in individuals,” Thiel quotes Nietzsche near the outset of *Zero to One*, “but in groups, parties, nations, and ages it is the rule.” Maybe we have been thinking wrongly about competition and monopolies for a long time. Step by step, Thiel begins to teach how to found start-

ups capable of building the future. Although any close reader will find points of contention—Thiel will not, for instance, concede that human mortality will always define our future—the significance of his theory should overwhelm, for now, any smaller criticisms.

His views and insights are not the random harvest of a life spent at the forefront of innovation. Nor are they merely the hard-won lessons of practical business experience. As useful as those sources of commercial knowledge may be for many American careerists, Thiel offers something altogether different. Though perfectly comfortable with anecdotes and case studies, Thiel’s arguments are framed in *Zero to One* by his confrontation with the central problems of human nature and politics of our times. Despite the superficial dominance of the supernerds, Thiel warns, we and they labor in the debilitating glow of a new kind of cultural kryptonite. Overtly, we’re increasingly at the mercy of our technological overlords. Covertly, our social life has become crippled by something so powerful that it can render even the most promising supernerd all but powerless, to say nothing of you and me. Our kryptonite is a cosmic idea, one with which Nietzsche was all too familiar: “the people have won—or ‘the slaves’ or ‘the mob’ or ‘the herd’ or whatever you like to call them,” Nietzsche said about the

self-styled democratic free spirits. “The masters’ have been disposed of; the morality of the common man has won.” Nietzsche despised this mob-ification of morals. We democrats, however, fear that the supernerds are breaking free of the mob—namely, us—and our egalitarian ethos. As Francis Fukuyama put it in *Our Posthuman Future* (2002), “This would inevitably mean the liberation of the strong from the constraints that a belief in either God or Nature had placed on them. On the other hand, it would lead the rest of mankind to demand health and safety as the only possible goods, since all the higher goals that had once been set for them were now debunked.” Supernerds above, and what Nietzsche called “last men” below; capitalism for the best, socialism for the rest.

Fukuyama warns that this sharp a division between the metaphorical 1 and 99 percent might come about through a biotechnological revolution—something about which even the most assertive of our supernerds at Google are still cagey. Nietzsche, for his part, would add that even our most divisive institutions are all still peddling one form or another of egalitarianism: “It is the church, and not its poison, that repels us”; through it, everyone becomes a mere herd animal, and one animal is as good or bad as the other. Similarly, we could add, through the market, money is

used to make everything, in theory and increasingly in practice, completely interchangeable; everything is for sale. And through the state, that “coldest of all cold monsters,” as Nietzsche called it, administrative power is used to do the same to people rather than things. Crony capitalism, on this reading, is America’s true church, the one that still holds out some hope for the meaning of individual achievement, and the one with secret attractions even for those on the outside looking resentfully in.

In a controversial 2009 essay for the website *Cato Unbound*, “The Education of a Libertarian,” Thiel recounted how, in 1990s Manhattan, surrounded by supernerd colleagues in law and finance, he lived the experience Fukuyama would theorize shortly thereafter. “I began to understand why so many become disillusioned after college. The world appears too big a place. Rather than fight the relentless indifference of the universe, many of my saner peers retreated to tending their small gardens. The higher one’s IQ, the more pessimistic one became about free-market politics—capitalism simply is not that popular with the crowd.”

Here are the makings of an insight about democratic life that is only implicit in Tocqueville. On the one hand, *Democracy in America* warns of the risk of an industrial

aristocracy—that is, the effective rule of supernerds through the technological mastery of commerce and business. On the other hand, it calls forth a troubling vision of each circle of close family and friends—and, eventually, each individual—relationally and psychologically delinking from strangers and neighbors alike. What Thiel seems to intuit is that these phenomena are deeply intertwined, and indeed they share a common root. Ultimately, the undoing of equal freedom and shared association cannot be blamed on greed, money, ego, or the socioeconomic system. Instead, Thiel seems to suggest that the problem is a nihilistic distemper brought on by our perceived insignificance and interchangeability. When, in real life and in theory, we see one another as hopelessly identical, our life force is channeled not into creative intentionality but a kind of competitive conformity—a well-nigh Hobbesian scramble to become a just slightly more credential-able version of everyone else. The pattern set in our earliest education continues unto death: “in exchange for doing exactly what’s asked of you (and for doing it just a bit better than your peers), you’ll get an A,” Thiel observes in *Zero to One*.

Amid the literal low-grade panic this system creates, the present tyrannizes our sense of agency. We seek actionable knowledge that gives us

the best chance to edge out anyone by hedging against everyone. “At college, model students obsessively hedge their futures by assembling a suite of exotic and minor skills,” Thiel writes. Convinced that our overwhelming equality in the marketplace means we have no choice but “the unjust tyranny of Chance,” we begin to see ourselves the same way we see all economic opportunities—as infinitesimal data points in an impersonal, inscrutable lottery. “And once you think that you’re playing the lottery,” writes Thiel, “you’ve already psychologically prepared yourself to lose.” Unable to see ourselves as capable of anything more than a radically evanescent kind of human agency, the future disappears, leaving us prisoners in the present.

For those at the top of the socioeconomic food chain, this open secret inspires a silent, cynical retreat from the buffeting madness of the many who sense the problem but cannot articulate it. Why struggle in the public square to convince the world it has a future? Such things cannot be argued into effect, the way an attorney can force assent with an onslaught of rational spin. “Politics always drives one to despair, the other side of identity,” Philip Rieff once surmised. But rather than seeking refuge in a sheltering sacred order, the temptation for today’s supernerds is to pull up the ladders on their

secular walled gardens. For disillusioned princes promoting means of escape from our soul-destroying edging and hedging, the cloister has given way to the VIP section, the private jet, and the yacht.

“In the face of these realities,” Thiel wrote in his 2009 *Cato Unbound* essay, “one would despair if one limited one’s horizon to the world of politics. I do not despair because I no longer believe that politics encompasses all possible futures of our world. In our time, the great task for libertarians is to find an escape from politics in all its forms.”

Escaping politics has been a dream of philosophers and hermits for millennia, and nowadays for some of the cognitive elite tempted to disappear into private utopias. But as the theorists of politics have long shown, there is no true escape from the unending struggle for power that animates politics, which may well be the ultimate form of competitive conformity. So the gospel of individual agency that Thiel preaches calls for a kind of authenticity that is beyond the reach of politics but that can never fully free itself from it. Rather than simply increasing income inequality or social immobility, the retreat of the elite accomplishes what Nietzsche called “an attempt to assassinate the future of man, a sign of weariness, a secret path to nothingness.” To escape the burdens of political involvement is not to escape the rule

of politics. Supernerds who suppose they have merely left the 99 percent to a political fate soon discover they have ceded the world.

It is a paradox that Nietzsche foresaw: giving the world to politics gives to politicians the chance to achieve the ultimate political ambition—“sovereign and universal [rule], not as a means in a struggle between power-complexes but as a means of *preventing* all struggle in general.” Beneath the frenzy of competitive conformity is a secret longing for coercive uniformity.

Thiel also steps into one of the biggest controversies of the day: the nature and consequences of “political correctness.” His comments on this subject extend directly from some of his most discerning insights about how startups can build the future by going from 0 to 1. When exploring “what kind of company to build,” he writes in the book, one key question to ask is “What secrets are people not telling you?” The secret of people with monopolies, for instance, is that “*competition and capitalism are opposites.*” The secret of politically correct people, he implies, is that experience in democratic life teaches almost all of us to not really want to be free.

Like most real secrets, this one is powerful—and dangerous. “Unless you have perfectly conventional beliefs, it’s rarely a good

idea to tell everybody everything that you know.” That’s why, he suggests, you tell only the people that you need to, and no one else. “In practice, there’s always a golden mean between telling nobody and telling everybody—and that’s a company.” It might be possible to share the secret of democratic life only within a great company, which after all is “a conspiracy to change the world,” but the temptation not to be free runs so deep, and the tyranny of Chance feels so ingrained, that not even revolutionary companies appear to be enough. To reveal the secret of the politically correct, we have no choice but to risk the political.

Thiel chose to make this case in a keynote address delivered at the Intercollegiate Studies Institute’s 2014 Dinner for Western Civilization. “Properly understood,” he announced, “political correctness is an unwillingness to think for oneself, a fear of stepping outside the bounds, this incredible pressure to conform in one way or another. And this is, I think, the core problem in our universities and the core problem in our society at large.” Rather than an “enchanted forest” where time stands still, the egalitarian politics of conformity has turned society into a “desert” where we’ve been “wandering” for decades—victims of a futile quest for a future we cannot win because it never arrives.

In this, Thiel sounds more than a bit like Benjamin Constant, the nineteenth-century French liberal who decried coerced uniformity. But Constant placed more romantic faith in individuality than perhaps Nietzsche or Thiel would. Mobification has advanced to the point where “just being yourself” is now practically a content-free proposition. Today, Katy Perry can freely inhabit the authentic identities of motivational pop starlet and skill for Citigroup, a feat that requires endless talk of self-empowerment but zero acts of bravery.

Thiel, by contrast, insists that to be yourself requires concerted, disciplined effort, exercised over time in pursuit of greatness, not happiness. That is why he wants to debunk the narcissism coughed up by the politics of conformity as humanity’s highest goal. Cannily, Thiel refrains from explicitly describing conformism as but a means to narcissism. (In 2010, *Slate*’s Jacob Weisberg leveled just that accusation at Thiel himself for trying to “clone” entrepreneurs who don’t worship at the altar of a university education.) But the charge shimmers just below the surface of Thiel’s sharpest provocations. Take his unflattering comparison of hipsters to the Unabomber. With a cheeky illustration in *Zero to One* putting a stereotypical hipster’s hoodie and glasses beside Theodore Kaczynski’s own, Thiel’s chapter on

pessimism about the future implies that self-obsession is the psychological consequence of competitive conformity. The sense of futility ingrained by hostile imitation leads us to seek significance by pretending we don't really want to succeed. "If everything worth doing has already been done, you may as well feign an allergy to achievement and become a barista," Thiel mockingly counsels. The politics of conformity imposes painful contradictions: its egalitarianism cannot satisfy our envy, and its individualism cannot satisfy our pride.

To escape the weight of these paradoxes, the performance of indifference becomes essential to the illusion of a distinctive identity. The self-creation promised by competitive conformity, we come to believe, can actually be found only in giving up the fight. As competition imprisons us in the uniform "now," our agency is reduced to the agency of the actor, who creates a false present instead of a true future.

"It is thus that the maddest and most interesting ages of history always emerge," Nietzsche writes, "when the 'actors,' *all* kinds of actors, become the real masters. As this happens, another human type is disadvantaged more and more and finally made impossible; above all, the great 'architects': The strength to build becomes paralyzed; the courage to make plans

that encompass the distant future is discouraged; those with a genius for organization become scarce."

Similarly, for Thiel, the culture and consequences of startups carry inescapable and decisive political implications. "If you get the founding moment right," he hints, "you can do more than create a valuable company: you can steer its distant future toward the creation of new things instead of the stewardship of inherited success. You might even extend its founding indefinitely." Nietzsche praised medieval Christian society for its colossal "durability (and duration is a first-rate value on earth)." Thiel observes how "companies that create new technology often resemble feudal monarchies rather than organizations that are supposedly more 'modern.'"

Look to those of-the-moment enterprises, and their nihilistic evanescence becomes dismayingly apparent. Thiel warns that the comfortable artisanization of everything can sink quickly into custom-built conformity. Call it the Hipster Problem: a powerful culture that turns acting therapy into shopping therapy is poised to usurp the market. Today, in the one kind of perversity lost on our society of narcissists, competition breeds conformity. "We live in a world where we're always told to compete intensely," Thiel said in a 2014 interview with Ezra Klein.

“It’s how we’re educated. It’s how so much of our system is organized. I think that if you want to compete super intensely, you should open a restaurant in D.C. There’ll be competition—but you won’t make any money or do anything.” Though it makes us “better at that which we’re competing on,” competition also “narrows our focus to beating the people around us. It distracts us from things that are more valuable or more important or more meaningful.” And in a culture where the performance of individuality is the one luxury experience accessible to all, even the most modest of artisanal toast entrepreneurs is sucked into a system where the sampling of all tastes destroys the great taste of the future.

“For what is dying out,” whispers Nietzsche, “is the fundamental faith that would enable us to calculate, to promise, to anticipate the future in plans of such scope, and to sacrifice the future to them—namely, the faith that man has value and meaning only insofar as he is *a stone in a great edifice*; and to that end he must be *solid* first of all, a ‘stone’—and above all not an actor!”

Can we, in a democratic age, still be stones, not actors? Can we be individuals any longer, or are we condemned merely to perform individuality? For Thiel, the question is what it would mean today to be part of a great edifice. We

have been searching since before Nietzsche’s time for the right way to (as the saying goes) “be a part of something bigger than ourselves.” And for every competing answer—conforming in accordance with race, nation, class, or History—people have died by the millions. Such is the price of man’s search for meaning.

Thiel wants better. He suggested to Klein that peaceful, productive meaning can come “from a counterfactual sense that if we weren’t working on something, this problem would not get solved.” Social entrepreneurship, suggests Thiel, is pretty good at spreading conventional goods. But “mission-oriented companies,” in addition to “doing something that transcends making money,” are “often defined by a unique mission” others may not celebrate. Instead of “copycats doing relatively similar things,” no matter how laudable, socially conscious supernerds liberated from the paradoxical cult of individuality can disappear down the boutique rabbit hole of their niche missions.

This experience is not for everyone. There are only so many unique missions to go around at any given time, no matter how many geniuses people the earth. Meanwhile, the cult of individuality fuels the essential cowardice behind the politics of conformity. “We live in a world,” Thiel told the Dinner for Western Civilization, “in which

courage is in far shorter supply than genius.” As he puts it in *Zero to One*: “Brilliant thinking is rare, but courage is in even shorter supply.”

Courage, Nietzsche knew, is inherently harder to democratize than genius. “Genius is perhaps not so rare after all,” he wrote, “but the five hundred *hands* it requires to tyrannize the *kairos*, ‘the right time,’ seizing chance by its forelock.” Rule out the twentieth century’s bloody variations on unique missions, and what do you get? A focus as narrowed as the one that competition foists equally upon us—but one that looks up and out toward a future more peaceful and more productive than competition itself can supply.

That is why Thiel’s model economy is one of serial monopolies. Rather than a plutocrat at heart, he is a theorist of courage in a democratic age. The only way to overcome competitive conformity and the cult of individuality is through bravery, directed with precision at distinct yet often unspoken human problems. To take on that task is to risk the consequences of being individually, not merely aping individuals. “Rivalry causes us to overemphasize old opportunities,” he admonishes in *Zero to One*, “and slavishly copy what has worked in the past.” As Shakespeare showed in *Romeo and Juliet*, families, companies, and people are “sure to clash on account

of their sameness,” Thiel explains. Yet our combat takes the form of trying to out-imitate one another. Thiel ridicules the competitive conformity that seized the market for mobile credit card readers opened up by the startup called Square and then followed by half-moons, cylinders, and triangles. He ruefully jokes that “this Shakespearean saga won’t end until the apes run out of shapes.” (The triangle is from PayPal, the company that Thiel and Elon Musk each had a hand in creating. Evidently, it is now falling short of greatness.) To avoid the nihilistic experience of exhausting possibility, we must resist the temptation to locate our identity in imitation. For Thiel, this is the key to unlocking the sterile prison that Western civilization has far too often become for far too many.

At the dawn of Western civilization, in ancient Greece, *kairos* referred to a number of things, for instance, to the right time to heal a patient who would otherwise die. In Christian theology, *kairos* is divine time, marked by propitious but grave moments where salvation is on the line. For Nietzsche, secularized, the idea became “the great noon”—the reckoning wherein, with a shock of realization, we could either work to overcome our all-too-human frailties or assassinate our future.

Thiel, too, has his sense of *kairos*. Revisit his comments on our

barren present. “If we are going to find a way back to the future... the first step is to realize that we’ve been wandering in a desert for the last forty years, and the first step to get out of the desert is to realize that we’re in a desert, and not in some sort of enchanted forest.”

Today’s great noon, Thiel suggests, has its fullest sense in an analogy of

Biblical proportions. Without courage, we will mistake our competitive genius for a Garden of Eden. In truth, we have forgotten our destiny—and wandered, as if compelled by a punishing force, into a wilderness of our own making.

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