

Thought for the Day

Excerpt from *Antifragile*



LIVINGSTANDARDSNZ

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Source: Taleb, N. (2012). *Antifragile*. London: Penguin

The Antifragile

Some things benefit from shocks: they thrive and grow when exposed to volatility, randomness, disorder, and stressors and love adventure, risk, and uncertainty. Yet, in spite of the ubiquity of the phenomenon, there is no word for the exact opposite of fragile. Let us call it antifragile.

Antifragility is beyond resilience or robustness. The resilient resists shocks and stays the same; the antifragile gets better. This property is behind everything that has changed with time: evolution, culture, ideas, revolutions, political systems, technological innovation, cultural and economic success, corporate survival, good recipes (say, chicken soup or steak tartare with a drop of cognac), the rise of cities, cultures, legal systems, equatorial forests, bacterial resistance ... even our own existence as a species on this planet. And antifragility determines the boundary between what is living and organic (or complex), say, the human body, and what is inert, say, a physical object like the stapler on your desk.

The antifragile loves randomness and uncertainty, which also means – crucially – a love of errors, a certain class of errors. Antifragility has a singular property of allowing us to deal with the unknown, to do things without understanding them - and do them well. Let me be more aggressive: we are largely better at doing than we are at thinking, thanks to antifragility. I'd rather be dumb and antifragile than extremely smart and fragile, any time.

It is easy to see things around us that like a measure of stressors and volatility: economic systems, your body, your nutrition (diabetes and many similar modern ailments seem to be associated with a lack of randomness in feeding and the absence of the stressor of occasional starvation), and your psyche. There are even financial contracts that are antifragile: they are explicitly designed to benefit from market volatility.

Antifragility makes us understand fragility better. Just as we cannot improve health without reducing disease, or increase wealth without first decreasing losses, antifragility and fragility are degrees on a spectrum.

The Great Turkey Problem

A turkey is fed for a thousand days by a butcher; every day confirms to its staff of analysts that butchers love turkeys 'with increased statistical confidence.' The butcher will keep feeding the turkey until a few days before thanksgiving. Then comes the day when it is really not a very good idea to be a turkey. So with the butcher surprising it, the turkey will have a revision of belief – right when its confidence in the statement the butcher loves turkeys is maximal and 'it is very quiet' and soothingly predictable in the life of the turkey. The example builds on the adaptation of a metaphor by Bertrand Russell. The key here is that such a surprise will be a Black Swan event; but just for the turkey, not for the butcher.

We can also see from the turkey story the mother of all harmful mistakes: mistaking absence of evidence (of harm) for evidence of absence, a mistake that we will see tends to prevail in intellectual circles and one that is grounded in the social sciences.

So our mission in life becomes simply 'how not to be a turkey,' or, if possible, how to be a turkey in reverse – antifragile, that is. 'Not being a turkey' starts with figuring out the difference between true and manufactured stability.