The Might of Opportunity

Introduction: The School That Grants No Diploma

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In the autumn of 2008, as the global financial system buckled, something quietly absurd was happening inside the institutions at the centre of the damage. The people in those rooms were not ignorant of financial history. A good many of them had studied it professionally. They knew about tulip mania and the South Sea Bubble. They could tell you exactly what cheap money and a collective infatuation with a single asset class had done in 1929, in Japan at the end of the 1980s, in Asia in 1997. And they had just spent several years, with enormous sophistication and full access to that entire record, constructing another one.

That is the puzzle this book exists to solve. Not the narrow question of why the 2008 crisis happened, which has its own large literature, but the wider and stranger one underneath it. We have never possessed more history than we possess now. We have built an extraordinary machinery for extracting its lessons: business schools, war colleges, risk committees, central banks staffed by people who have read everything ever written about the last catastrophe. And we have never been reliably better at avoiding the next one. The empire still overreaches. The market leader is still toppled by a threat it watched approach for a decade. The great power still steps into the very vacuum it swore, after the last time, never to step into again. The founder still bets the company on the move that buried the last three founders who tried it.

Hegel said the only thing we learn from history is that we learn nothing from history. Santayana gave us the line everyone quotes, that those who cannot remember the past are condemned to repeat it. Both are usually offered as a sigh, a piece of weary wisdom to nod at and move past. I want to do something less comfortable with the observation. I want to take it apart and show you that it is not a lament about human weakness at all. It is the description of a mechanism, and the mechanism has parts, and once you can see the parts you can see why no amount of remembering has ever switched it off.

Begin by throwing out the explanation that comforts us. We like to believe that the people who repeat history are fools, that they were arrogant, or lazy, or simply did not know. It is a flattering theory, because it implies that we, being neither lazy nor ignorant, are safe. The evidence does not support it. Over and over, the actors who walk into the familiar disaster are not the least informed people in the room. They are frequently the best informed. They have studied the precedent more closely than their cautious colleagues. They can recite the cautionary tale chapter and verse, and they march into it anyway, eyes open, sometimes because their eyes are open. Something is overriding the knowledge. The knowledge is not winning.

My claim is that what overrides it is opportunity, and that opportunity is not a competing idea but a competing kind of thing entirely. A lesson is something you know. An opportunity is something that moves you. The two do not meet on equal terms, and when they collide, in the specific moment that decides events, the thing that moves you almost always defeats the thing you merely know. The bulk of this book is an attempt to show, mechanism by mechanism, why that defeat is so reliable, and what the few real defenses against it actually are.

I call the whole framework the Opportunity Engine, and the argument runs in four movements.

The first movement asks what actually drives a world-shaking event, and answers that it is neither blind structural force nor heroic individual will, but the meeting of the two at a particular moment: a window that conditions have opened, and an actor with the nerve to climb through it before anyone can be sure it is a window and not a wall. That is Part I.

The second movement observes that there are two ways to win this game, and that they are in tension with each other. There is the Initiator, who moves first and pays for the privilege, and there is the Watcher, who waits, conserves, and inherits whatever the Initiator's success or failure leaves behind. Your own intuition about history, that some people start the fire and others arrive to claim the cleared land, turns out to be a structural law rather than a pattern. That is Part II, and it is also where the book first confronts the ethics of the whole business, including its darkest expression, the opportunity that rides on someone else's catastrophe.

The third movement is the heart of the matter and the answer to the puzzle I opened with. It explains why our lessons cannot immunize us: because knowledge sits still while opportunity pushes, because the payoff is shaped so that a lesson attacks the wrong part of it, because every opportunity arrives wearing a costume the lesson does not recognise, and because the act of learning a lesson quietly reshapes the field and grows fresh opportunities in it. That is Part III.

The fourth movement asks what is left for anyone who has understood all this and would prefer not to be its next case study. The honest answer is modest. There is no off switch. There is only position, and self-knowledge in the moment the pull arrives. That is Part IV.

A single current runs beneath all four movements, and it is worth naming at the outset: the ethics of the seized opportunity, the difference between the actor who creates something and the one who merely extracts it. That difference is never sharper, and never more outmatched, than when the opening is somebody else's disaster.

We begin where every empire, every founder, and every revolution begins. With one person who looked at a situation everyone else was looking at, saw a door where they saw a wall, and went through it.