

First Unitarian Universalist Society of Albany

“Reliable Uncertainty”

Rev. Samuel A. Trumbore March 8, 2009

Sermon

Death is certain. All that arises will pass away.

Life, however, is unpredictable. You can count on that.

In response to these realities, poet Mary Oliver challenges us, "What will you do with this one wild and precious life?"

Whatever we choose to do with our one wild and precious life, we'll have to decide whether to take risks or play it safe. Figuring out how to manage risk taking is one of the most important skills that doesn't get taught in school. Every day many of us don't even reflect on the risks we're taking by getting out of bed in the morning, stepping into the shower, eating breakfast and then getting into a car to drive to work. Depending on one's temperament, taking risks can be energizing or paralyzing. Either way, living is full of unavoidable risks.

The big problem with risk taking is evaluating them. Except for a few crooks, I'm sure most of those Wall Street bankers didn't realize the risks they were taking by commodifying mortgages and selling credit default swaps. They trusted their economists who relied on statistical models. Those mathematical models told them the risks could be managed by spreading them around. And housing prices will just keep going up - they always had. They couldn't imagine Lehman Brothers going under. The credit market will never freeze up. In short, no one was prepared for "the Black Swan."

I got turned on to the black swan problem by Syrian born mathematician Nassim Nicholas Taleb and his book, *The Black Swan: The Impact of the Highly Improbable*. Here, in a nutshell, is the black swan problem.

Before March 1606, all Europeans knew that swans were white. No one had ever seen a black swan. All empirical evidence pointed to this truth. March 1606, Australia was discovered by the Dutch. There are black swans in Australia. Taleb notes that this would only be interesting to a few ornithologists except for its power as a metaphor of putting too much faith in learning from observation and experience.

The Black Swan illustration has three important attributes that Taleb enumerates. First, it is an outlier, it lies outside the realm of regular expectations. Second, it carries an extreme impact. Third, once the unexpected has happened, people come up with explanations making it explainable and predicable, thus hiding the reliability of the unexpected in our lives.

Take the case of a domestic turkey named Tom. Tom lives a very comfortable life on a farm. Then one day he happens upon a wild turkey. The wild turkey questions Tom's farm lifestyle and potential threats he might encounter there. The wild turkey suspects the untrustworthiness of humans. Tom assures the wild turkey he has it made and has the statistics to prove it. Reliably, every day, the friendly farmer feeds the turkey, gives it a warm,

dry place to sleep, protects it from disease and cleans up its poop. Tom has charts and graphs to show just how safe and pleasant an existence he has and expects to have. The wild turkey shakes his head in disgust. You know what happens, of course, the day before Thanksgiving. Thanksgiving is Tom's Black Swan.

The big problem with using mathematics to predict the future is incorporating all the variables in one's equations. Tom left one really important variable out and paid the ultimate price.

Taleb proposes there are two worlds we live in. In one world, he calls 'Mediocristan,' all the important variables are known and can be modeled. In the other world, he calls 'Extremistan,' all the variables cannot be known and thus are outside the realm of predictability. In Mediocristan, the use of statistics makes sense because the randomness found there is very mild and yields well to prediction. Las Vegas is a settlement of Mediocristan. The odds are known and tightly controlled. Few, if any, black swans live there.

Hollywood, New York and Nashville, on the other hand, are settlements in Extremistan. A sleeper of a movie can become a blockbuster unexpectedly. An unknown welfare mom like J.K. Rowling can catch the imagination of the world and become a billionaire. Popular musicians can make it via one song and become stars overnight, one attraction of American Idol. Black swans make their home in Extremistan.

Mediocristan is predictable, boring, doesn't have big winners, and yields well to the statistician's favorite tool, the bell curve. Extremistan is a wild place that creates big winners and many losers not distributed in a bell curve.

Taleb challenges us with the problem of deciding whether a problem is in Mediocristan or Extremistan. The buyer of lottery tickets clearly lives in Mediocristan. The garage band putting out mp3 videos on Youtube lives in Extremistan.

Unfortunately, all of us who invest in the stock market are living in Extremistan. And for very complex reasons, as the world gets more and more complex and interconnected, the likelihood of black swans increases rather than decreases. This should make those of us playing the market with our life savings think twice about what we are doing.

Here is Taleb's advice which I've been working toward since I started this sermon. He recommends keeping the bulk of the assets you depend on squirreled away in Mediocristan's very safe, guaranteed investments. And he strongly encourages all of us to take what you can lose and invest it in Extremistan where the possible reward is very, very high but you also can very easily lose it all. Basically, be very conservative with most of your assets and wildly speculative with as much as you can afford to lose.

I've been reflecting on this as possibly a wise approach to one's growth and development. A wise approach to life is balancing playing it safe with taking small, but what may feel like wild, risks that could have a very big positive result, a positive Black Swan. Take seriously the guidance of custom and tradition and the counsel of the wise. Then carefully choose the times to challenge them and go your own way when the potential benefit is very significant.

King David in the book of Samuel was an interesting model of this approach. Son of Jesse who tended flocks of sheep for his father, David came into the service of King Saul. Migraines tormented the poor king and David's sweet harp playing made them go away. David was a

good, faithful and devoted servant to his king.

David distinguished himself through some shrewd risk taking. Timing is everything in risk taking. The Philistines and the Israelites faced each other on the battlefield. Goliath, the nine foot tall champion of the Philistines came forward to taunt the Israelites to fight, terrifying them. David persuaded Saul to send him out to meet Goliath. David was only a boy but had already taken down a bear and a lion protecting his sheep so he had some tested skills he could depend on. Yet the risk was quite high. One strike from Goliath's sword would have finished him then and there. But David's speed and accuracy with his sling shot brought Goliath down long enough for David to slay him with his own sword. With Goliath defeated, the Philistines fled. David became an instant celebrity, so much so as to threaten the king's security. With one risk, David reaped a great reward.

But there was more than David's heroism to the story. There are two other dimensions that don't usually get appreciated in the focus on David. David didn't represent himself, he represented the House of Israel and the Living God. Yes, he was ambitious and asked what will be done for the one who slays the Philistine, but he acted for a power greater than himself. He was both self interested and motivated by the good of the whole tribe. Saul protested that he is but a boy but David persuaded him with this reply, "The LORD who delivered me from the paw of the lion and the paw of the bear will deliver me from the hand of this Philistine." The second dimension was David was not alone. An army stood behind him. Alone the rest of the Philistines would have finished him off.

How I translate those two dimensions which David drew on to achieve victory for Unitarian Universalist ears are vision and allies. The collective guiding vision of the tribe, the Lord, and the Israelite army, his allies, actually create the opportunity that permit David to take a big risk and reap a huge reward, not just for himself but for his people.

I've been reflecting quite a lot on vision and allies as I champion the rebuilding of ARISE, our faith based community organizing project in the Capital Region. I was part of its beginning eight years ago and served as ARISE's President as it chose its first issues and held its first public meeting with close to a thousand people. Those were exciting and inspiring times for me that had faded as the organization has been through some difficult times the last few years. Our organizer will be leaving at the end of June and I've been tapped to rebuild the organization again.

The election of President Obama has re-energized my faith in community organizing. Obama was trained as a community organizer by the fellow who consults with ARISE, the Executive Director of the Gamaliel Foundation, Greg Galluzzo. Much of Obama's success came from his very skillful use of and innovation on the traditional strategies of community organizing.

Wednesday before last, Greg was in town and we met for two hours reflecting on what was needed to restore ARISE and put it on a strong footing. In our conversation, he challenged me, in community organizing lingo, agitated me, to step forward as a leader. I wasn't sure if I wanted to or not, but at the same time, I knew I was already committed to the vision of community organizing as an effective way to empower the powerless. What became suddenly clear to me in our conversation was what I was missing. I had the vision. What I didn't realize I needed was allies. Greg was saying to me, I want to be your ally. I want the entire Gamaliel Foundation to be your ally. You cannot rebuild ARISE alone. You will need many, many allies. The vision and the allies will be the force that can rebuild ARISE to take on the

Goliaths in the Capital Region arrayed against us.

As this is true for ARISE, it is just as true for this congregation. The vision of Unitarian Universalism is absolutely crucial to the health and well being of this congregation. We may all join together as allies to sustain a vital and nurturing religious community, but without a common vision, we will perish. The current work of the Dream Catchers articulating our congregational vision is vital to our institutional health.

Vision and allies permit us to move out of the mindset of Mediocristan and discover the dimensions of Extremistan where risks can yield great rewards. Those rewards are changing lives and communities for the better. Smart risk taking is critical for our growth and development. Smart risk taking is crucial for solving the problems of our society. I see President Obama hard at work setting up our society to take those risks and potentially reap great rewards.

What always frightens us as we consider taking risks is uncertainty. Yes, some of what Obama tries to do will fail. But that will not stop him from taking smart risks. Some of what we do here will fail. But I hope that will not stop us from taking smart risks in the future too. We are worshipping in the middle of one of those smart risks. I hope you agree it was worth it.

When we do it well, the silver lining of risk taking is sometimes you get a big result. Not all the time mind you. There are no guarantees. But over the long run, the rewards will be there when fueled by vision and allies.

So what about you? Are you playing it safe and avoiding risks like a timid life insurance agent? Or are you a drunken gambler taking wild, self-endangering risks? Or does it feel like you've been dealt a nine high bust hand and have no one at your back?

What makes the difference in difficult times like these? Times when the fog of uncertainty brings one to a halt?

What gets me moving forward again is a confidence rooted in our Unitarian Universalist vision and community. A confidence in my inherent worth and dignity as a human being, paired with a confidence in the interdependent web of existence of which I am a part, ennobles and connects me with the Spirit of Life. But that confidence also needs the people of this community to bring it alive and make it real.

Let a confidence rooted in vision and allies help us learn to stop fighting uncertainty and learn how to rely on it, and even risk turning it to our advantage.

Yes, life is uncertain. There are no guarantees.
And relying on our vision and each other
can increase the odds
of a positive black swan swimming our way.