

“The way up and the way down are one and the same,” wrote Heraclitus<sup>1</sup>—reminding us that ascent and decline are often inseparable. In a fast-evolving world, individuals and businesses must learn to leave the very paths that brought them success. Charles Handy’s “Second Curve”<sup>2</sup> underscores the need for timely reinvention. This essay examines the psychological and strategic demands of change—why mastery, transition, and uncertainty must all be embraced to remain relevant.



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### **Missing the Signs: Blind Spots Before the Fall**

Handy urges people to exit the existing curve before its peak. What begins as success soon reveals looming risks if one stays too long. The first challenge lies in recognising the need for change.

“I looked at the constellations in the sky and did not know what to believe,” writes Nassim Taleb in *The Black Swan*<sup>4</sup>, reflecting on Lebanon’s sudden collapse after “unique historical stability.” Many today fall prey to ego-driven, clouded judgments. The dangers of this bias are ignored, as small events are misjudged—Taleb’s *Mediocristan*<sup>5</sup>. In reality, we live in *Extremistan*<sup>6</sup>, where small events can cause massive consequences. This illusion of control renders people near their peak unaware of hidden forces. Chaos Theory’s *Butterfly Effect*<sup>7</sup> supports the idea that tiny variables can

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<sup>1</sup> Heraclitus, fragment 60, as quoted in various translations of *Fragments* (5th century BCE).

<sup>2</sup> Charles Handy, *The Second Curve: Thoughts on Reinventing Society* (Random House Business, 2015).

<sup>3</sup> Charles Handy, *The Second Curve: Thoughts on Reinventing Society* (Random House Business, 2015).

<sup>4</sup> Nassim Nicholas Taleb, *The Black Swan: The Impact of the Highly Improbable* (Random House, 2007), xxi.

<sup>5</sup> *Ibid.*, 40–45. (Refers to Taleb’s distinction between *Mediocristan* and *Extremistan*.)

<sup>6</sup> The “*Mediocristan*” vs. “*Extremistan*” distinction contrasts domains with predictable, average-based outcomes (*Mediocristan*) and those dominated by rare, high-impact events (*Extremistan*).

<sup>7</sup> Edward Lorenz, “Deterministic Nonperiodic Flow,” *Journal of the Atmospheric Sciences* 20, no. 2 (1963): 130–141. (For the *Butterfly Effect*.)

upend entire systems. One must reflect not just on what brought success, but also on what didn't.

## **Finite Games, Infinite Vision**

Handy calls for “a whole new way of looking at problems,” aligning with the paradigm shift theory. One should begin by understanding the difference between a finite and infinite game—a concept from James Carse<sup>8</sup>. Finite games are played within boundaries, aiming to win. Infinite games aim to keep playing by reshaping boundaries. If life is viewed as a finite game, the second curve is easily missed. But by seeing life as an infinite game made of many finite games or growth curves, one is more prepared to move on when a curve ends.

Pushing further on a saturated curve contradicts Greg McKeown's principle of Essentialism<sup>9</sup>. The urgency of identifying when to exit a curve cannot be overstated. But how does one know when to leave? When should transition begin?

To tackle the problem of “silent evidence,”<sup>10</sup> Gary Klein's ‘Contradiction’ approach is useful. By noticing moments that trigger a “tilt!” when something doesn't make sense; One is forced to question assumptions. This helps reveal threats others miss. Both Handy and Klein cite the 2008 financial crisis: the collapse of housing bonds was predicted by a few, like Michael Burry<sup>11</sup>, who challenged mainstream beliefs.

Daniel Pink's concept of “flow,” adapted from Mihaly Csikszentmihalyi<sup>12</sup>, shows the value of aligning ability with responsibility to achieve optimal experience. This helps navigate uncertainty and spot hidden dangers with more clarity.

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<sup>8</sup> James P. Carse, *Finite and Infinite Games: A Vision of Life as Play and Possibility* (Ballantine Books, 1986).

<sup>9</sup> Greg McKeown, *Essentialism: The Disciplined Pursuit of Less* (Crown Business, 2014).

<sup>10</sup> Gary Klein, *Seeing What Others Don't: The Remarkable Ways We Gain Insights* (PublicAffairs, 2013).

<sup>11</sup> Michael Lewis, *The Big Short: Inside the Doomsday Machine* (W. W. Norton & Company, 2010). (Referenced indirectly through the Michael Burry mention.)

<sup>12</sup> Mihaly Csikszentmihalyi, *Flow: The Psychology of Optimal Experience* (Harper & Row, 1990).

## Anatomy of a Transition

Transitioning to the second curve brings emotional and psychological challenges. Handy describes the initial “dip” as a trough requiring courage and wisdom. William Bridges’ *Transitions*<sup>13</sup> breaks it down into: The Ending, The Neutral Zone, and The New Beginning. The Ending involves full closure—stepping away from a curve near Mastery to avoid collapse. It disrupts identity and triggers dismantling, disidentification, disenchantment, and disorientation.

Dismantling may mean closing an organisation or letting go of a belief. Disidentification strips away old identities. Disenchantment signals the loss of energy for a former ideal. Disorientation leaves one without direction. The first curve, once a guide, becomes irrelevant.

Change has costs—financial, social, psychological. Leaving behind success demands willpower and a leap outside comfort zones. It reflects economic trade-offs: we must choose where to focus limited resources. Essentialism<sup>14</sup> reminds us, “you can’t have it all.” For the Essentialist, abandoning the first curve is not a loss—it’s choosing to ‘go big’ on what matters most.

To ease transition, Handy recommends exiting before the peak. This preserves resources and optimism. Cragun and Sweetman’s Reinvention Formula offers a structured approach:

**(Dissatisfaction + Alignment + Execution + Focus) × Leadership > Cost of Change**

Dissatisfaction is the inner drive to change. Alignment means readiness—internal and external. Focus provides direction. Execution ensures a workable plan. Leadership is what binds it all. Cost includes both tangible and intangible losses. Exiting early reduces this cost.

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<sup>13</sup> William Bridges, *Transitions: Making Sense of Life's Changes* (Da Capo Press, 2004).

<sup>14</sup> Greg McKeown, *Essentialism*, 27.

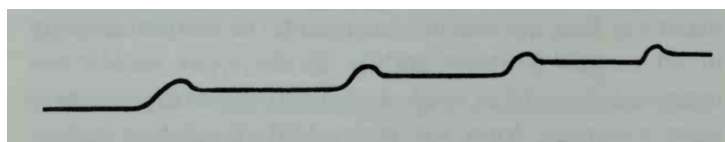
Staying too long risks burnout. The Neutral Zone<sup>15</sup>—Bridges’ term for a transitional emptiness—clears mental clutter and reveals new realities. Handy warns that lingering leads to negativity, draining the courage needed for reinvention.

Those who initiate the shift adapt faster and suffer less. Reluctant participants often remain stuck in doubt. Their fear creates illusions of change without true transformation. The transition is like breaking in new boots—initially painful but necessary for growth. Staying in old curves for too long leads to damage.

## Attaining Mastery

Daniel Pink’s Drive<sup>16</sup> frames Mastery as a mindset, a form of pain, and an asymptote.

While Handy depicts the second curve’s upward trajectory, progress along it is not linear. It contains micro-dips and long plateaus—phases George Leonard describes as “purgatory,”<sup>17</sup> marked by seemingly stagnant growth. These moments can reignite self-doubt and revive suppressed fears from the earlier transition.



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Paradoxically, it is in these plateaus that true growth occurs. Carl Jung refers to the emotional friction experienced here as the “shadow”<sup>19</sup>—unconscious elements we must confront. “One does not become enlightened by imagining figures of light, but by making

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<sup>15</sup> Ibid., 4–9. (For the Ending, Neutral Zone, and New Beginning stages.)

<sup>16</sup> Daniel H. Pink, *Drive: The Surprising Truth About What Motivates Us* (Riverhead Books, 2009), 109–116.

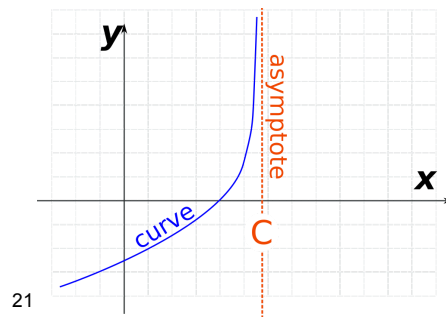
<sup>17</sup> George Leonard, *Mastery: The Keys to Success and Long-Term Fulfillment* (Plume, 1992), 14–17.

<sup>18</sup> The Path to Mastery, Mastery, George Leonard

<sup>19</sup> Carl Jung, *The Archetypes and the Collective Unconscious*, trans. R.F.C. Hull (Princeton University Press, 1969), 265. (For the quote on the Shadow.)

the darkness conscious.” Facing these shadows is essential to psychological integration and transformation. Mastery is pain.

Flow remains crucial. Yet one must not mistake Flow as a guarantee for Mastery. Overemphasis on constant momentum can lead to disappointment during inevitable lulls. True progress lies in embracing the “incremental theory”—growth through small steps. Seth Godin<sup>20</sup> warns against quitting when it hurts. If a journey is worth starting, giving up halfway wastes effort already invested. Commitment during discomfort—rather than idle waiting—is what matters. Here, the growth mindset becomes essential. Mastery, therefore, is a mindset.



One must also remember: the second curve is still a sigmoid curve. Like the first, it will peak. Handy’s warning about quitting before the peak should not mislead one into seeking an illusory final point of success. The real endpoint is an asymptote—a curve that approaches but never reaches its limit. Pursuing infinite growth on one curve becomes inefficient over time. Each extra effort yields diminishing returns. Thus, we must repeat the cycle—move from curve to curve. Mastery is an asymptote.

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<sup>20</sup> Seth Godin, *The Dip: A Little Book That Teaches You When to Quit (and When to Stick)* (Portfolio, 2007).

<sup>21</sup><https://www.google.com/url?sa=i&url=https%3A%2F%2Fmedium.com%2F%40elijahsawyers%2Fmastery-is-an-asymptote-98413e7dad6a&psig=AOvVaw09sSykQWIlzhAQAM5WPACq&ust=1748785745762000&source=images&cd=vfe&opi=89978449&ved=0CBQQjRxdFwoTCMDL2d7szY0DFQAAAAdAAAAABAj>

## **A Watchful Night: My Second Curve**

I write this excerpt at 2AM. I sit beside a convoy of armoured vehicles, staring at an eerie sky lit by the moon. Surrounded by trees and clad in full battle gear, I keep watch as my buddies rest. This moment marks a point along the second curve I began nearly a year and a half ago.

In my country, national service is mandated after tertiary education. For most, the two-year conscription builds fitness, leadership, and other tangible skills before university. But for me, it sparked unexpected inner growth.

After three months of basic training, many of us were awaiting our posting orders—our entry into specific branches. A few would enter command school. I came from a background where prestige shaped ambition. Effort was only worthwhile if it led to recognition. This mindset followed me into enlistment. It also defined many peers, who either aimed for officer ranks or chose postings that allowed them to pursue external interests. Becoming a non-commissioned officer was rarely considered. Prestige dictated their paths: “Go big or go home.”

This was my awakening. That once-motivating mindset suddenly felt hollow. I began questioning the curve I was on. So I stepped into a second curve—a mindset no longer driven by prestige. I was posted as an NCO cadet.

The initial dip was steep. New environment. Evolving mindset. New faces. Every day was a struggle. It grew harder when I saw peers using their time freely, pursuing side projects or preparing for the next big thing. “Did I make the right decision?” echoed daily. I experienced disorientation, disidentification, and dismantling. But gradually, I adapted and climbed out.

Then came the plateaus—emotional stillness that brought my shadow to the surface. I confronted suppressed emotions, developed greater control, and learned to appreciate

what I once took for granted. I grew more resilient. Working with people from diverse backgrounds revealed sides of humanity I had never encountered. I could feel myself changing.

Some peers on the original curve began to falter. Without deeper purpose, their actions started to seem empty. The transition had been hard—but necessary.

Now, with service completed and university on the horizon, I reflect. My second curve hasn't ended. My decision to abandon prestige still holds. I still face plateaus, but I remain loyal to the journey. I may never again be in a setting that fostered such deep transformation.

### **Love Over Tradition: Rejecting conformity**

The tale of P and R began thirty years ago. These two young adults in 1990s Southern India defied a social construct: arranged marriage. At the time, such marriages—often arranged with little interaction—were widely accepted and even praised. Families pointed to low divorce rates and high parental involvement as proof of success. (Consider a footnote here explaining how such statistics can obscure qualitative realities.)

This was a textbook case of narrative fallacy. Society reduced a complex system into a story of success. But hidden dangers called for a second curve.

P and R chose love over tradition. Their decision came at a cost. Their elopement angered elders and strained relationships. The emotional toll of rejection fractured their sense of self. Yet through the dip and the plateaus, they reminded themselves why they had made that choice. They built their marriage on love and mutual respect, holding fast to their belief in a different path.

Decades later, flaws in the arranged marriage model have grown clearer. In parts of India, it has reinforced gender inequality and silenced women. Marrying for social status or quantifiable traits has led to conflict, rising divorce rates, and quiet suffering.

P and R, however, rebuilt family ties. They supported each other's careers, migrated abroad, and started from scratch. Over time, they gained not just wealth and status but profound inner growth—the kind that truly matters.

These extraordinary individuals are my parents. They've been my beacon since the day I entered this world.

These two journeys—mine through national service and my parents' defiance of tradition—reveal the essence of second curves: the courage to abandon conventional metrics of success in pursuit of deeper meaning. Whether triggered by choice or circumstance, these transitions involve dips and plateaus. Yet within discomfort lies growth. Second curves demand not just a new path, but a transformation of values—and in doing so, they offer a more authentic way forward.

### **Meaning Amidst Madness: Frankl's Infinite Game**

Viktor E. Frankl's *Man's Search for Meaning*<sup>22</sup> recounts his experiences as a prisoner and Holocaust survivor. Amid unimaginable suffering, he observed differing psychological responses among inmates and explored themes of death, suffering, and spirituality. These reflections later evolved into his psychotherapeutic method, logotherapy.

The transition from one curve to another is, at its core, life's renewed search for meaning. Death loomed constantly. Yet paradoxically, this very threat allowed Frankl to glimpse a second curve. In moments when all hope seemed lost, he emphasized that one's response to suffering—not the suffering itself—determines whether one descends or ascends. The prisoners were challenged to “stop asking what (they) expect from life and instead ask what life expects from (them).” Many assume Frankl had reached collapse and was too hopeless to begin a second curve. But he was still on the curve of passive expectation—and left it to enter one of active meaning.

The true danger wasn't physical torment, but the spiritual decline that arises from a lack of future purpose. Those who clung to passive expectation “let themselves decline

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<sup>22</sup> Viktor E. Frankl, *Man's Search for Meaning* (Beacon Press, 2006), 110–113.

because they could not see any future goal and found themselves occupied with retrospective thoughts.” This was the real collapse. Logotherapy teaches that meaning is man’s primary motivation, and inner freedom his most vital possession. Frankl’s recognition of the “dignity of suffering” enabled him to find gratitude for “the smallest mercies,” invisible to those who had accepted despair. “He who has a why to live can bear almost any how” (Nietzsche)<sup>23</sup>. Even when bodies were broken, those who retained their inner freedom preserved their souls.

The transition between curves echoes logotherapy’s essence: meaning is found not in what life gives us, but in how we respond. Inner freedom becomes the force behind transformation.

The concept of finite and infinite games adds a complementary lens. Finite players hate surprise; they seek control and resolution. Infinite players invite surprise as a path to meaning. Growth emerges when one sees life’s unpredictability not as a threat but a cue to adapt. The greatest surprise—death—is typically seen as a final boundary. Those who view it as an end often surrender to purposelessness. But infinite players perceive death as part of the larger play: letting one curve die so another can be born. As Carse writes, “Finite players play to live. Infinite players live to play.” The Sufi adage “Die before you die”<sup>24</sup> urges us to shed attachment to ego and possession. To play infinitely is to embrace impermanence and transformation.

### **Escape from the Default Path**

“In a few hundred years, when the history of our time will be written... it is likely that the most important event... is an unprecedented change in the human condition... substantial and rapidly growing numbers of people have choices... And society is totally unprepared for it.” – Peter Drucker<sup>25</sup>

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<sup>23</sup> Friedrich Nietzsche, *Twilight of the Idols* (Oxford University Press, 2008), 33. (For the quote: “He who has a why to live can bear almost any how.” Often attributed through Frankl.)

<sup>24</sup> Sufi proverb, often attributed to various mystics. Common phrasing: “Die before you die.” (Spiritual metaphor for ego transcendence.)

<sup>25</sup> Peter F. Drucker, “Managing Oneself,” *Harvard Business Review*, January 2005. (For the quote on the unprecedented change in the human condition.)

The proliferation of choices in modern life makes curve-jumping a survival skill. As pathways multiply, the ability to choose meaningfully becomes urgent. Yet early in life, most follow what Paul Millerd<sup>26</sup> calls the default path: study hard, get good grades, land a good job. This path assumes conformity as virtue and discourages deviation.

James Hollis<sup>27</sup>, in *The Middle Passage*, introduces the provisional personality—an identity shaped by inherited beliefs and early conditioning. Parental expectations and cultural norms form this ‘conditional life,’ which may not reflect one’s true self. Hollis warns that if one clings too long, they risk becoming what Jung calls the *puer aeternus*—the eternal child who resists growth and avoids leaving the first curve. This is the finite game incarnate.

To counter this, one must leave the default path and embrace the pathless path—a journey without predefined goals, marked by soul-searching and evolving selfhood. It invites a crisis of identity. Here, Handy’s second curve becomes essential. The quote often attributed to Jung—“I am not what happened to me, I am what I choose to become”<sup>28</sup>—captures the shift. Rejecting past limitations and embracing change allows the second curve to begin.

In a world saturated with conformity, noise, and surface-level goals, the need to exit the default path grows stronger. Only by moving toward infinite growth can we reclaim the originality of the soul—and learn to live.

### **Capitalism’s Curve: Beyond Profit**

As more people shift to contract work and self-employment, the economy is being reimaged in real time. Business models that thrived five years ago now become obsolete amid shifts in technology and behavior.

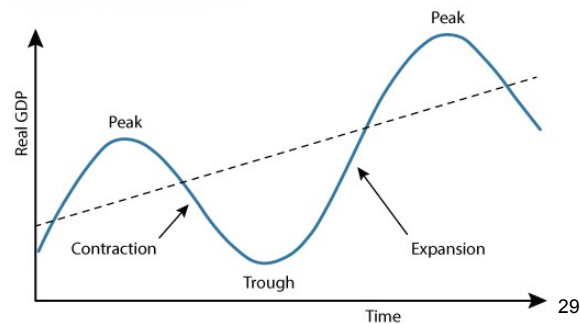
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<sup>26</sup> Paul Millerd, *The Pathless Path: Imagining a New Story for Work and Life* (Paul Millerd, 2022).

<sup>27</sup> James Hollis, *The Middle Passage: From Misery to Meaning in Midlife* (Inner City Books, 1993), 23–26.

<sup>28</sup> Carl Jung, as quoted in James Hollis, *The Middle Passage*, 17. (Quote: “I am not what happened to me, I am what I choose to become.”)

The economic ideas of choice, trade-offs, and strategic thinking align naturally with Handy's second curve. While the business cycle appears linear—expansion, peak, contraction, trough—each phase can reflect second-curve dynamics. Contraction resembles Handy's dip: a reckoning that demands reinvention. It's in these phases that businesses and governments must pivot—toward new policies, models, and purpose.



“A society that thinks more is always better will be an envious and dissatisfied society.” Handy urges us to discard the belief that value lies in quantity. This mirrors the “mastery as asymptote” model: beyond a point, effort yields diminishing returns. Endless striving leads to waste.

Philosophical traditions support this too. Epicureanism teaches that happiness comes not from excess, but reduced desire. Buddhist thought warns that “dukkha” (suffering) arises from craving. Both echo the need for balance—the kind second curves restore. In economic terms, this appears as internal diseconomies of scale.

Leonard describes modern capitalism as a “consumerist, quick-fix society” full of illusion. In a world of endless options, we must adopt a second-curve mindset—one that questions limits, embraces risk, and plays the infinite game. Handy calls for a shift from

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<sup>29</sup> The business cycle-

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profit to purpose. Daniel Pink<sup>30</sup> echoes this in his “purpose motive”—one that transcends self-interest.

If the world were filled with companies that served only themselves, society would become a finite game. But many now go beyond profit: some pursue sustainability, others drive scientific progress, or uplift the marginalized.

When such companies shift to second curves, they endure dips. But when many join in, the dip is shared—and becomes the new norm. Innovation scales. Society evolves.

### **The Rise of the Worker-Citizen**

“Citizenship at the workplace”<sup>31</sup> is a radical idea proposed by Handy and one that aligns with Drucker’s vision. The rise of contract work should evolve into a second curve, where workers are treated as ‘citizens’—valued contributors with autonomy and a stake in shared success.

Drucker emphasized the moral discipline of management—not just to serve customers, but to create meaningful structures for workers. Aristotle viewed humans as *zoon politikon*—beings who need community. Management, then, must safeguard both individual and social well-being.

But responsibility doesn’t rest with organizations alone. As Daniel Pink notes, “Control leads to compliance; autonomy leads to engagement.” Meaningful work emerges when intrinsic motivation aligns with clear structure—but that balance is often fleeting. Cragun and Sweetman call this the “paradox of success”: early clarity and steady growth attract more opportunity, but that very success creates overload. As demands multiply, focus fragments. The company may be thriving—but the individual risks stagnation, caught between what once worked and what now needs to change.

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<sup>30</sup> Daniel H. Pink, *Drive*, 132–137. (Purpose motive.)

<sup>31</sup> Charles Handy, *The Second Curve*, 125. (On “citizenship at the workplace.”)

## **Final Words**

Second curves matter—both for individuals and institutions. They create space for renewal in a world where disruption is constant. Over the past decade, we've witnessed Covid-19, geopolitical shocks, cryptocurrencies, and artificial intelligence redraw the economic landscape. In this new reality, norms are defied daily. Startups hit billion-dollar valuations within months. Meanwhile, legacy firms falter—undone not by competition, but by their failure to adapt.

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