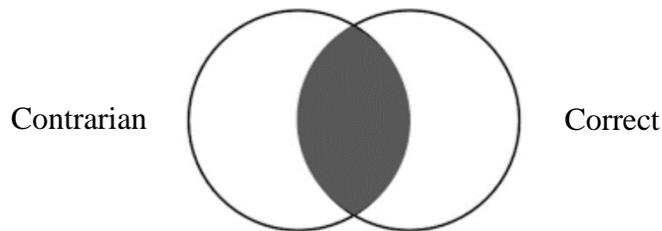


Costanza's Law of Contrast

Besides being one of my favorite Seinfeld episodes, I think there's an important lesson in [The Opposite: contrast](#).

In the episode, after a typical string of poor luck, George decides to do the opposite of what he has always done and ends up with the beautiful girl, a great job, confidence, and more. He is candid about his situation saying, "My name is George. I'm unemployed and I live with my parents" to the beautiful girl who is taken totally off guard and becomes intrigued by this portly man. The rest of the episode follows a similar pattern.

While hilarious, simply doing the opposite of what your instinct tells you doesn't fully translate to the real world. However, what does work in the real world is doing things which are contrarian *and* correct.¹ This is what makes great startups, great investments, great decisions. If it was obvious, it would have been done already and there'd be no margin, no opportunity. Lots of things are contrarian, but relatively few are contrarian and correct. Figuring out that this overlap in the concentric circle of contrarian and correct is where you should be aiming is the first step and hopefully this essay helps pave the road.



A subtle variety of "contrarian and correct" is contrast. If you have no contrast, you have no room for separation, differentiation, or efficiency. Competition is too tough this way as there is no way to stand out. It becomes a race to the bottom. In physics terms, this is the Second Law of Thermodynamics and it states that "the greatest thermodynamic efficiency is achieved by combining the hottest possible source with the coldest possible sink." So, what? So, contrast. If you can create enough contrast with your competitors, you can achieve incredible competitive efficiency. You are a "hot source" operating in a "cold sink" – *working smarter, not harder*. This is what George tapped into in this episode. When every guy hides their insecurities and George confidently and transparently stated his, he stood apart.

This framework applies across the board and is partially what makes it so powerful. It is an invariant strategy, applicable across time, space, industry, and geography. Nuclear reactors exploit this physics principle, crabs exploit this biological principle, and you too can exploit this human's systems principle too.

¹ Peter Thiel's [Zero to One](#) is a great resource for more on this

Deciding which industry to get into might be the most important career decision you will make. If everyone you're going up against is top class, good luck! But if competition in an industry is less sophisticated, fragmented, complacent, slower, or inefficient for whatever reason ("cold sinks"), it can be a potential gold mine. Thinking of contrast in this way helps you find and decide which niche(s) to enter, and then outcompete the inefficient players who are already in it. Find a "cold sink", determine what makes it inefficient, and go about exploiting it. On repeat. Velocity vs. Mass. Active vs. Inert. Proactive vs. Reactive. This framework could explain some of the success of companies which have been in industries typically considered unattractive.²

The examples above are applicable to business and careers but how about for our personal lives? By following George's example, we can do the opposite of what is the norm today and gain "contrast," setting ourselves apart.

In today's social media age, there seems to be an instant gratification mantra. You can exploit that by choosing the delayed gratification option. Seek out that with a negative first order consequence but positive long-term benefits. This is likely the uncommon choice. Choose it. In the days of shallow and expedient work, do the deep and meaningful. Books rather than articles. Slow thinking rather than frantic. Balance rather than imbalance.

While exploiting what is common today is a good strategy, an even more robust one may be exploiting those things which have always seemed difficult for humans. Be open, authentic, and vulnerable when others are isolated, disingenuous, and walled off. Become a great writer and public speaker. Be generous. Give credit and take the blame. Because human nature is what it is and is slow to change, these things will always be difficult for people as it requires courage, self-knowledge, and independence of thought. Scarce qualities and, if you can genuinely foster them, so powerful since they offer true and sustainable contrast.

From what I've laid out, the "norm" may seem nonsensical when taken out of context, but it typically isn't. So, why do people act in these harmful ways? Habits, social pressure, fear of losing status, fear of losing your job, the environment and expectations which surround us. These subconscious self-preservation and hierarchical survival habits are deeply ingrained and drive much (most?) of what we do. How people act can make perfect sense when seen through these lenses and we can use these automatic, built in 'trip-wires' to our advantage. Stepping back and reconsidering what we truly want and what it takes to get there, we can see what actually serves us and what is simply a habit we've fallen into. With this clarity and focus, we can see the lunacy for what it is and change as needed.

This 'stepping back' gives you an ability to see things from a different angle – distance provides perspective. Nobody can fully know or understand the system they are part of but we can side-step (to some extent) this

² Nucor Steel in steel production is a great example and Ken Iverson's [Plain Talk](#) clearly discusses this along with the power of incentives, honest and in-touch management, and much more. It is an amazing book worth reading and re-reading

lack of understanding by getting the input and help from other's with "fresh eyes" – those outside of our system due to their age, experience, background, expertise, or wisdom. For example, asking someone who is 20 years older what they wish they had known when they were your age is an effective way to avoid pitfalls and mitigate errors. You may not like their advice. It may seem crazy to you. And that is when it is most valuable. As Paul Graham wisely advises, pay attention to what surprises you.³ There are tremendous benefits to mulling these things over because they defy your expectations and, if you can figure out why, you have a good shot of better understanding the people and world around you. Not doing so leads to confirmation bias and a slow and dangerous cementing of static thoughts, beliefs, and actions. When the world doesn't align with what you think should have happened, your model is wrong, not the world. This seems obvious but can be surprisingly hard to honor when ego, expectations, assumptions, and biases get in the way and cloud our judgement.

“What the pupil must learn, if he learns anything at all, is that the world will do most of the work for you, provided you cooperate with it by identifying how it really works and aligning with those realities. If we do not let the world teach us, it teaches us a lesson.”

— Joseph Tussman

You can do this at any stage and with any problem, but you must have these people in your life that you trust and can count on. Not only depth but breadth of relationships and experience becomes obviously vital at this point.

Since we are all part of a system, we are all susceptible to errors and blindspots. But, if you are at least aware of this situation, you can take steps to mitigate it – ask for advice from those with “fresh eyes”, change the environment and/or the people you hang around, what you value, which hierarchy you are competing in, how you spend your time. This takes a consistent and concerted effort. Much like the fish doesn't know she is in water, we often take the system we are in for granted. Pay more attention to what game you are playing rather than how to play it. Then you can more transparently see how your competitors act, what they value, what blindspots they have and use it to your advantage by acting in such a way which provides contrast.

³ Paul Graham: [The Age of the Essay](#)