

## Front and Back Flaps

Uncertainty—doubt about what is or could be—fuels our ambitions and fears. Tantalizing possibilities spur us to innovate and explore. Yet, we also strive to reduce uncertainty. Mountain climbers and deep-sea divers plan carefully. Rules, routines, and research in business, the law, and medicine are designed to increase predictability and forestall unpleasant surprises.

Mainstream economics, however, hides from uncertainty, banishing it to the mystical world of unknown unknowns or reducing it to mechanistic calculation. Its textbooks ignore everyday problems that lack demonstrably correct solutions. But resolute responses to such problems require confidence. Where does confidence come from, especially when we go beyond the known? How do we justify our fallible judgments to ourselves and others?

Drawing on more than thirty years of teaching and research, Amar Bhidé offers compelling answers. Inspired by—while modernizing—the forgotten ideas of the economist Frank Knight and other great twentieth-century thinkers, Bhidé challenges both hyper-rational economic orthodoxy and claims of pervasive behavioral biases. He shows that while big bets require more justification, the facts alone don't persuade skeptics. Instead, narratives that combine reason, contextual evidence, and creative interpretations align our imaginations.

Bhidé's framework and rich examples explain neglected and surprising features of entrepreneurship. He shows how startups and giant corporations coexist; how seemingly bureaucratic

procedures encourage the giants to undertake complex high-stakes initiatives; and, how vividly described possibilities help make the imagined real. Cutting through esoteric theories—but avoiding glib prescriptions—*Uncertainty and Enterprise* examines the foundations of bold yet reasonable action.



Author photo: Poby

### AMAR BHIDÉ

is a Professor at Columbia University's Mailman School of Public Health and Professor Emeritus at Tufts University's Fletcher School. He has served on the business school faculties of Harvard, Chicago, and Columbia universities and was a founding editor of *Capitalism and Society*. Bhidé has written numerous articles for the *Harvard Business Review*, *The Wall Street Journal*, *The New York Times*, and the *Financial Times*. Author of *The Origin and Evolution of New Businesses* and *The Venturesome Economy*, Bhidé was educated at the Indian Institute of Technology and Harvard Business School, where he graduated as a Baker scholar.