

# The Red Herring of Profit: Why Our Values, Not Our Systems, Are the Problem

My key takeaway from the recent compendium was birthed from one of the very first conversations on day 1. In an opening activity, we were prompted to discuss the systemic failures of modern housing. A recurring theme emerged: the "for-profit" nature of the system is the root of the evil. While this is a common narrative, I came away with a different realization. The focus on profit is a red herring. To truly make progress, we must stop vilifying the mechanics of the system and start examining the values that direct them.

## Profit Defined and Why it's a Feature not a Bug

In its simplest terms, profit is what remains after subtracting expenses from revenue. It's what's left over after paying for all that's required to provide a certain value in the world.

Profit serves two essential functions: **sustainability** and **growth**. If a venture is doing good in the world, we want it to continue. Profit provides the fuel for that endurance. Without a surplus, a system is fragile, teetering on the edge of collapse at the first sign of a lean season.

Just like the persistence of a good doing venture is good, so is the growth of that venture because it means more good in the world. Also, growth, the constant process of changing to discover better conditions or adapting to current ones, is natural. It's prevalent throughout the natural world; in trees, animals, and in us. If nature is our benchmark for what is good, then we can say with a reasonable degree of confidence that growth, and its enabling factors, like profit, are also good. At the very least, they are not inherently bad.

I recognize that the growth that characterizes our economic system is not the same as that which we admire in nature. Nature has perfected a cycle where every resource used is eventually recycled and regenerated. Our current "one-way" technology is rudimentary by comparison, often converting resources into forms the system cannot recover. The argument that growth and profit are not inherently bad still holds, however, because the issue here is not the drive to grow, but how we do it.

## Money as a Tool for Complexity

An argument closely related to "Profit bad" is "Money bad". I'd like to posit that this also misses the crux of the problem. Money itself is simply a way to exchange value and allows for the very complex value exchange system we have today. It's a tool and is not inherently bad.

## The True Issue: Value Divergence

All this isn't to say the current system is perfect. It's very far from it but the problem is not profit or money; those are merely features of the machine. The real issue lies in **the 'how' and 'why' behind the generation and distribution of profit and money**. Consider a non-profit. Most non-

profits prioritize the accessibility of their products and services over beefy profit margins. And when they do have a surplus, that money is reinvested in a way that benefits the many not the few. Why does a non-profit operate this way while a predatory corporation does the opposite? It comes down to **a difference in values**. Some of us believe housing is a fundamental right no one should have to go without and will sacrifice much to make that a reality. Others, not so much. Issues, like housing, that suffer from a lack of consensus about their importance, are unable to have the full weight of our collective power as a society deployed towards solving them.

### **The Solution: Fostering Empathy**

If the issue is a divergence in values, how do we get better value alignment on a societal level? How do we align on fundamental human rights and direct the machine of civilization toward giving those rights to everyone? The solution is **fostering empathy**. The number of resources we put towards solving any issue is directly proportional to how many people care about that issue so getting people to care is the first step to making things better. We can achieve this through:

- **Teaching Empathy:** Not just for other humans, but for the natural world and our planet.
- **Shared Experiences:** Traveling and sharing stories to bridge the gap between different perspectives.

The solution is not to stop growth or progress. We must be careful not to throw out the "baby" (the system) with the "bathwater" (our misguided values). Similarly, the answer is not to forcefully impose uniformity to curb inequality. Inequality and dynamism are two sides of the same coin and dynamism is a necessary ingredient for growth, which is something good to pursue, as outlined earlier.

### **The Journey is the Work**

In our striving for a better, more aligned world, we must guard against perfection. There is a line from the show *Arcane* that resonates deeply: *"There is no prize to perfection, only the end of pursuit."* The pursuit of ideal can blind us to the progress we've made and to the fact that the journey itself is as real and important, if not more, as the destination. The work to align our values on the highest good at the societal is never-ending and is, like life itself, absurd and Sisyphean. Still, we must never let this lead us to extremes or discourage us from trying. We must leverage the gap between our position and destination as motivation for relentless incrementalism while acknowledging and appreciating our progress.