

[How to replace the profit motive](#) [1]

Written by [Tim Worstall](#) [2] | Sunday 23 March 2008



Or, at least, how to try and replace the profit motive. One of the things that can be very hard to get across is the idea that making a profit isn't simply or solely a manifestation of human greed: it's also information. Making a loss is the market's way of telling you that you're doing something stupid.

But what if you don't actually want to make a profit? What if, say, you're a charity? How do you get that same information, about whether you're doing the right thing or not? Jamie Oliver's charity, the restaurant project Fifteen, is working hard on this [problem](#) [3]:

*But perhaps the most surprising aspect of this warts-and-all assessment is that it was commissioned by Jamie Oliver and Fifteen itself, who wanted to know exactly where they had gone wrong and how to improve. Few charities assess their work in this systematic and critical way. Fifteen will publish the report, *Life in the Present Tense*, next month in the hope that it emboldens other charities to do the same.*

As the Director of the project goes on:

?Second, there is a a straight business case. If you don?t understand what you are doing, if you don?t get someone from outside the culture to verify it, how do you know how to improve things?? he said.

Well, quite. I'm not holding my breath for a surge of charities allowing others to investigate themselves in this way though, there are rather too many comfortable enough fundraising, agitating and achieving not all that much.

I might also note that the Public Accounts Committee and the National Audit Office investigate the actions of government in very much the same manner. One question I have though: has either body ever looked at any branch or activity of said government and reported "Yes, well done, top marks"?

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