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In Pursuit of Profit? - An Analysis of Organisational Management Based on Lockean Perspective

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Abstract. This paper interrogates whether profit pursuit necessarily corrupts enterprise, arguing that the decisive variable is not motive per se but the presence of institutional constraints that tie labor to value creation. Using China's graduate employment policies as a focal case, the author traces a "fiscal redundancy loop" in which headline employment targets, reported across staggered statistical calibers, generate distorted signals that redirect public funds toward short-lived, low-productivity posts classified as "flexible employment." These posts satisfy numerical objectives but dilute skill formation and misallocate resources, sustaining inactive economic roles that depend on recurrent subsidies. Interpreted through Locke's account of labor, property, and non-waste, such arrangements sever the natural link between work and value, converting taxpayers' property into support for positions that neither create durable output nor enhance human capital. This paper extends the analysis with the concept of neo-alienation: in non-profit and public systems where profit feedback is weak, formal compliance, metric chasing, and goal drift displace responsiveness to social needs. Comparative evidence—from public employment services and university administration to state-controlled industries—illustrates how process formalism and political interference entrench low productivity and systemic fragility. The paper concludes by outlining policy mechanisms to rebind labor to value in public systems: outcome-based assessment centered on durable placement and skill gains, sunset clauses for subsidized roles, and competitive, transparent governance that mimics the disciplining effects of market feedback where appropriate. These steps, the author contends, reconcile public purpose with Lockean principles of value-creating labor while reducing the fiscal redundancy loop.

Keywords: Lockean Perspective, Profit-Driven, Labour Economics

1. Introduction

Profit is central to any economy, but its social effects depend on how it is structured and governed. Nietzsche cautions that property can become a threat to the community when wealth is held without rightful claim or responsibility, implying that profit-seeking can harm the social order. Locke, by contrast, argues that incentives anchored in labor and legal accountability—the core of his property theory as "the fruits of one's labor"—can underpin a legitimate social contract when institutionalized through consent [1]. This tension between unchecked self-interest and systemic

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accountability frames our analysis of profit-driven behavior, including comparisons with charity-led and state-owned enterprises.

China's labor market illustrates these dynamics. It faces simultaneous pressures from an unprecedented surge of university graduates and deep economic restructuring. In response, the state increasingly relies on both public and private actors to absorb employment. This pragmatic approach has expanded headcount, yet it has also produced structural distortions. Since 2013, "flexible employment" policies have proliferated as instruments of neo-social stability [2]. However, many atypical arrangements—outsourcing, internships, short-term contracts—sit outside key social protections, including insurance schemes and hukou-linked welfare.

The author argues that these employment strategies, while stabilizing in the short term, generate foundational tensions and a distinctive form of neo-alienation. Read through a Lockean lens of property, consent, and rightful authority, number-targeted job creation that is decoupled from value creation and individual agency fosters unproductive—and sometimes rights-eroding—practices. The sections that follow examine the fiscal-surplus loop, diagnose neo-alienation, and develop a Lockean critique, before concluding with the long-run implications of these policies.

2. Fiscal redundancy loop in China's graduate employment policies

The study by Chan revealed the selective disclosure behavior of the public sector in employment statistics [2], which became the initial inducement of the fiscal redundancy cycle. It clearly pointed out that there are two statistical calibers for the employment rate of Chinese graduates: the first employment rate and the "final employment rate". The former is reported to the education department in June and announced to the public in July, and the latter is released in December. In addition, the final employment rate has always been 10%-15% higher than the first employment rate in the past ten years. This difference in statistical caliber is essentially the implicit manipulation of employment data by the public sector. By prioritizing the release of the earlier and lower first employment rate, and then supplementing and adjusting it with the final employment rate, it appears to be a time difference in data statistics, but in fact it may cover up the inefficiency of short-term employment policies [2]. More importantly, Chan indirectly implies that there is a public sector manipulation of employment data [3]. There is a tendency to obscure the true employment situation through statistical caliber. For example, to achieve short-term employment targets, the government may include temporary and low-quality jobs in flexible employment in employment statistics without distinguishing between the economic productivity and sustainability of these jobs. This statistical manipulation of inflated employment rates can mislead policymakers about the true demand in the job market, thereby driving more fiscal investment based on numerical targets without actual demand, such as subsidies for low-quality jobs and funding for non-essential employment support projects, thus initiating a cycle of fiscal resources being diverted towards redundant areas [4].

An analysis of employment public opinion suggests that the government's efforts to achieve employment targets may foster the creation of inactive economic actors, exacerbating fiscal redundancy [3]. They also point out that China's job market faces a structural contradiction, with both difficulties finding jobs and recruiting workers. It is estimated that the number of college graduates in 2023 will reach 10.76 million. Some industries have not fully recovered from the impact of the epidemic and employment demand is unstable. Combined with the result that 73% of the public have a negative attitude towards employment, it can be inferred that if the government promotes non-core positions such as temporary administrative assistance and repetitive public welfare positions to alleviate short-term unemployment pressure, these positions can be included in

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employment statistics, but they lack long-term economic value, neither directly create social wealth nor improve workers' skills. They are non-economic production positions funded by taxpayers [5]. For example, the difference in employment public opinion between coastal provinces and inland provinces with large populations shows that economically developed coastal areas have diversified industrial structures, and employment opportunities are mostly market-driven production positions, while some inland provinces may rely on fiscal funds to add employment assistance posts and temporary community service posts to match employment goals. Job operations require continuous fiscal investment but fail to generate effective economic output, leading to the diversion of taxpayer funds to unproductive sectors [2]. Furthermore, the concentration of labor in high-demand coastal areas further reinforces resource mismatch. Large numbers of graduates flock to coastal areas, drawn by higher salaries, leading to talent saturation in coastal areas and a talent shortage in inland areas. Consequently, fiscally funded jobs in inland areas, lacking talent support, become redundant positions with mere statistical figures but no actual effectiveness, creating a vicious cycle of fiscal investment, job redundancy, and talent loss [2].

Locke's theory of property rights in The Second Treatise of Government provides a core framework for criticizing these fiscal redundancies and resource mismatches, revealing their inherent violation of the natural logic of labor, property, and value [1]. On the one hand, Locke believed that the legitimacy of property rights stems from the value conferred by labor. In the natural state, only when individuals apply labor to resources and make them produce value useful to humanity can they possess legitimate property rights, and this is subject to the principle of no waste. However, the inert economic roles created by the government precisely violate this principle. Although workers in these positions provide labor, their labor is not converted into actual economic value, which is essentially a dilution of the value of labor [1]. For example, if taxpayer-funded temporary community service positions only perform repetitive tasks such as document sorting and simple publicity, and do not substantially improve community economic development or the actual needs of residents, the results of their labor cannot be converted into valuable property, but instead consume fiscal resources. This situation where labor does not create value but occupies resources is exactly the dilution of property and value creation that Locke criticized, causing fiscal resources to flow from productive areas to redundant areas that only maintain the existence of jobs [1]. On the other hand, Locke emphasized that labor is the cornerstone of property rights. The resource mismatch in the fiscal redundancy cycle precisely destroys this natural connection [1]. Chen et al. [2] found that coastal provinces, due to their developed economies and diversified industries, attracted a large number of graduates, resulting in talent saturation, while inland provinces, due to their limited employment opportunities, found it difficult to retain talent even with fiscal investment in job creation. This imbalance in labor distribution is essentially the artificial disruption of the natural connection between labor and property [2]. From Locke's perspective, workers should acquire property through their own labor in areas where they can create value. However, under the current resource mismatch, some workers are forced into non-productive areas to obtain short-term jobs. Their labor cannot be linked to valuable property. At the same time, taxpayers' property is invested in non-productive jobs, not realizing value-added through supporting productive labor. Instead, it is continuously consumed by job redundancy. This double destruction continuously strengthens the fiscal redundancy cycle, forming a closed loop of mismatch-redundancy-re-mismatch [1].

Fiscal redundancy and distorted incentives are manifested in the public sector manipulating employment statistics and inflating employment rates to release erroneous employment market signals, misleading fiscal resources towards meeting numerical targets. Subsequently, to maintain the inflated employment rate, the government may create inactive jobs and subsidize unproductive jobs, exacerbating fiscal redundancy [2]. These behaviors essentially violate Locke's natural logic of labor-property-value, further distorting the labor market and the incentive direction of fiscal investment, and ultimately trapping fiscal resources in a redundant cycle of increasing investment and decreasing efficiency, making it difficult to divert them to areas that can truly improve employment quality and economic vitality [1].

3. Neo-alienation in public and non-profict sectors

From the perspective of theoretical origins, it has been expanded in reference with Marx's focus on the fourfold alienation of capitalist capital exploitation to a wider social field, proposing that in non-profit scenarios such as the public sector and public welfare organizations, the root of new alienation has shifted from capital pursuit of profit to rigid rules and deviation from goals. Different from alienation at the economic level, it highlights the disconnection between labor and core goals and social needs, and is often accompanied by characteristics such as formalized processes and ambiguous value creation. The labor property rights theory that legal labor must create social value, not waste resources, and leave room for others provides a basis for the illegality of new alienation [1]. Gough interprets this theory explicitly [6], arguing that state subsidies for non-productive jobs and politically driven labor within the non-profit system violate the principle of socially useful labor, providing theoretical support for the specific manifestations of neo-alienation.

Specifically, in the public service sector, Chen et al. analyzed public opinion on employment in China and found that public employment service agencies provide formalistic services [7], rely on standardized policy manuals for employment guidance, focus on assembling events and filling out data as core indicators, and focus staff on process-based work, neglecting job seekers' skills training and job matching needs. This resulted in 73% of respondents holding negative attitudes towards employment [2]. In the higher education sector, Chan, using the Chinese higher education system as an example, pointed out that the administrative tendencies of universities have fostered neo-alienation. Curriculum offerings require multi-level approval, and teaching evaluations rely on formal indicators. Teachers are forced to devote considerable time to preparing approval documents and responding to administrative inspections, neglecting teaching innovation and practical skills development. In 2013, two million Chinese college graduates were unemployed upon graduation, a direct consequence of this. In the field of state-controlled industries, the case of Venezuela's state-owned oil industry shows that PDVSA, the mainstay of the country's economy, fell into a complete recession due to political interference [2]. The government used oil revenues for political projects rather than technological research and development and equipment upgrades, appointed non-professionals to key positions, and even required technical personnel to suspend production to participate in political propaganda. As a result, oil production plummeted from 3.2 million barrels per day in 2008 to less than 1 million barrels per day in 2020, triggering nationwide inflation and material shortages [6]. In terms of job design and labor orientation, Gough pointed out that state-subsidized non-productive jobs in the nonprofit system [6], such as some public sector positions that only circulate documents without implementation, and politically driven formal activities such as empty propaganda meetings organized to highlight policy implementation, are all valueless labor and deviate from the principle of socially useful labor [6].

The root cause of the new alienation lies in the lack of a hard constraint that labor must create value in the nonprofit system, in stark contrast to profit-oriented enterprises. It has been shown that profit-oriented enterprises, constrained by costs and profits, will actively promote the shift of labor towards creative problem-solving [7]. For example, in the 18th century, British textile companies

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developed the spinning jenny to improve efficiency and effectively eliminated non-essential jobs. For example, traditional Chinese manufacturing companies eliminated manual record-keeping positions during their digital transformation. Profit feedback is also used to ensure that labor is closely tied to social needs. For example, internet companies develop employment skills training courses to achieve the dual goals of profitability and solving employment pain points. Related research also further demonstrates the role of for-profit enterprises in value creation. However, due to the lack of cost and profit pressure and profit feedback mechanisms in the non-profit system, non-essential jobs persist for a long time, making it difficult for labor to focus on creative problem-solving, ultimately forming a new alienation cycle of formalized processes, blurred values, and marginalized goals. This new alienation not only causes waste of resources, such as state subsidies for non-productive jobs and imbalance between public service input and output, but also triggers systemic risks, such as the Venezuelan economic crisis and unemployment anxiety among Chinese college graduates. The core of the solution lies in injecting a value creation orientation into the non-profit system. On the one hand, the assessment mechanism should be optimized, and the core indicator should be the achievement rate of the core goal of social demand satisfaction instead of the process completion rate. For example, the assessment of public employment services should include the employment rate and skill improvement rate of job seekers. On the other hand, the binding of labor and value creation should be strengthened, and the logic of profit-oriented enterprises to determine the direction of labor based on demand should be used to let the labor of the non-profit system return to its essence of serving society and creating useful value.

Pursuit of profit is not inherently “bad.” What matters is whether institutions bind labor to value creation. China’s target-driven graduate employment regime—amplified by staggered reporting and flexible-employment classifications—has produced a fiscal redundancy loop that inflates placement figures while diverting funds to non-productive posts [2-3]. In Lockean terms, this arrangement violates the labor–property–value nexus and the non-waste proviso, converting taxpayer resources into support for roles that neither generate durable output nor cultivate capability [1]. Neo-alienation explains how, absent profit discipline, process formalism and goal drift take hold across public employment services, higher education, and state-controlled industries, with Venezuela’s oil sector exemplifying how political interference collapses productivity [4-7]. Reforms should prioritize outcome-based metrics (lasting placement and skill uplift), sunset and tapering rules for subsidies, and governance that restores feedback between work and socially useful value.

4. Conclusion

This paper has argued that the pursuit of profit is not inherently corrosive; what determines social value is whether institutions bind labor to value creation. Using China’s graduate employment regime as a focal case, I traced how staggered reporting calibers and “flexible employment” classifications inflate placement figures while redirecting public funds to low-productivity posts. Read through Locke’s labor–property–value nexus and non-waste proviso, these arrangements dilute the meaning of work and misallocate taxpayers’ resources. Neo-alienation further explains how, where profit feedback is weak, process formalism and goal drift sever work from social needs across public employment services, universities, and state-controlled industries

Policy design should therefore prioritize outcome-based metrics (durable placements, skill uplift), sunset/taper rules for subsidies, and governance that restores feedback loops between work and value—mimicking market discipline where appropriate without abandoning public purpose. Future research should (i) quantify “fiscal redundancy loops” across sectors; (ii) test counterfactuals where reporting incentives change; and (iii) evaluate whether hybrid accountability regimes (competitive

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tendering, transparent audits, and capability-building mandates) can rebind labor to value while protecting equity. By centering value creation rather than motive alone, the framework reconciles public aims with Lockean principles and offers a tractable path out of redundancy.

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