

*Abstract*

**THE MORALITY OF PROFITS,  
AND  
THE STRUGGLE FOR EXISTENCE**

by

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This paper is about the morality of the pursuit of profits as a means of enhancing adaptation to change. It follows the Austrian view of the function of profits elaborated by Israel Kirzner. Profits are made by correctly adapting to future changes. This adaptation has a moral value because it creates wealth, and thereby increases the probability of species-survival. The latter is the standard of morality in an evolutionary theory. The pursuit of profits also serves a long-run function in imposing costs on those who adhere to rules of conduct that have lost their ability to help agents adapt to change. This paper argues that profits have two moral functions. First, they create incentives to apply those existing rules that enhance adaptation to change. Second, they create incentives to change the moral rules themselves, insofar as they are deficient in their ability to promote adaptation.

*Key words:* Ethics and economics, morality of profits, evolutionary ethics.

*JEL classifications:* K10; P16; Ethics and Economics (no JEL number).