Not Even Garbage

By

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Collaboration, Innovation and Resilience: Championing a Digital Generation

Brisbane, Australia 6–10 April

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1   A Value Thgeory Framing

"Valuation without Value Theory: A North American
"Appraisal'"
 (Cannone and MacDonald 2003).

"The critical enterprise challenge is whether leaders
will possess the self-awareness and rigor to use philosophy
as a resource for creating value with AI or default to tacit,
unarticulated philosophical principles for their AI deployments.

Either way — for better and worse —
philosophy eats AI" (Shrage and Kiron 2025)

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Limitations of AI include:

1. The map is not the territory. Judgement comes from lived experience, and we valuers require broad and deep vision and balanced judgement to become experts in the market concerned.

2. Computer coding is a binary-based "a vastly more limited subset of language and therefore cannot even capture what everyday language can".

3. As I refer to in the title, all computers are subject to the GIGO phenomenon.

4. "You have to know the discipline within which you are seeking information well enough to exercise independent judgement" on what AI is spitting out.

5. "AI-generated content has the unfortunate side-effect of pushing the very people who create the content AI trains on out of their professions."
Refer: https://www.resilience.org/stories/2025-03-23/doge-and-misunderstanding-ai/?mc_cid=e0b865a661&mc_eid=988752c75a. .

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"Effective property involvement employs multiple
perspectives and skill sets to address the crucial
questions for effective property involvements,
and applies the capacity to reframe problems,
select appropriate methodologies and tools,
gather the requisite information, and be self-educating
to learn what one needs to know to address the problems
one encounters"
(Roulac, as quoted in Weber 2004, p. 7).

According to a modern general value theorist:
"Valuing is not the same as 'thinking,' which is an all-body process predominantly located in the brain.
There is no need to have a brain to be able to value:
to be able to value requires only a living body ...
being able to think is not necessary for being able to value.
Even homo sapiens makes most decisions from the gut and not from the head … Valuing precedes thinking by billions of years"
(Ecks, 2022, p. 31).

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Furthermore, "I take value and purpose to be implied
by the very nature of consciousness* itself; constitutive of reality …
I hold that our failure to understand this lies at the heart
of our global predicament" (McGilchrist 2022).

* Anaka Harris defines consciousness as "the pure fact of felt experience".

Market values emerge from seas of such values,
under the following circumstances:

Market value is the *estimated* amount for which an asset or liability *should* exchange on the valuation date between a *willing buyer* and a *willing seller* in an *arm's length transaction*, after *proper marketing* and where the parties had each acted *knowledgeably, prudently and without compulsion.* (IVSC, 2025, p. 9: emphases mine).

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Consciousness cannot be computed
(Kastrup et al 2024, at 0:40-0:45).

Functional mimicry is NOT either experiential cognition
or valuation.

Unlike general valuations, professional market valuations require
the intelligent development from data to information to knowledge
to understanding to the wisdom required to estimate the
valuation in accordance with the above definition of market value.

Processing symbols is NOT understanding.

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"[N]numbers are just shorthand for real objects. and events
which have a history, context and momentum.
And that drive isn't always in the same direction".
https://johnmenadue.com/the-science-of-being-absolutely-wrong/

Market valuations are the application of numbers to stories,
and stories are the vessels of values.

As mentioned above, those values may go back to the origins of life itself:
if you didn't value your life, you became lunch for another who did.

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AI produces persuasive simulcra by scraping data off the net and telling stories from it. Even normal IT can already produce generally accurate valuation in well-functioning transparent and accountable property markets, and in such domain AI will probably make such assessments even better.

But what happens when the data just isn't there or, if there is unavailable, as in the case of many property markets in the developing world in general, and for the valuation of unregistered land in particular?

There, when it comes to learning about them, as described by Yann LeCun, an eminent mathematics professor and the chief AI scientist at META, "current AI sucks".

https://www.youtube.com/watch?v=ETZfkkv6V7Y

2. A Historical Framing.

The consequences of the lack of understanding of the interfaces between organic and machinic means of valuation can be dire. Take, for example, the Global Financial Crisis.

To a significant degree, that was catalysed by the subprime mortgage crisis in the USA. To their eternal credit, some 10,000 of our valuer colleagues there Warned of the danger of frankly fraudulent lending practises, But, as usual when there is a buck to be made in the short term and the costs can be shunted off to others well into the long term, their warnings were ignored by the powers that were then, and still are.

My point. We are not playing tootsies here:
value theory is of fundamental importance, so let's get real about it.

From the above framing towards a scientifically supported
value theory let's get real about AI.

3.   Getting Real with AI, valuations of unregistered land, and Valuations

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For many problems, near enough is good enough:
we don't need a Terence Tao to add six and seven.
As behavioural economists put it, "fast and frugal" will get us by
much of the time (Love et al 2023), but such approaches
in some contexts can be quite dangerous:
full of snares and pitfalls for the unwary. How to decide when fast and
frugal is fit for purpose, and when more careful diligence is due?
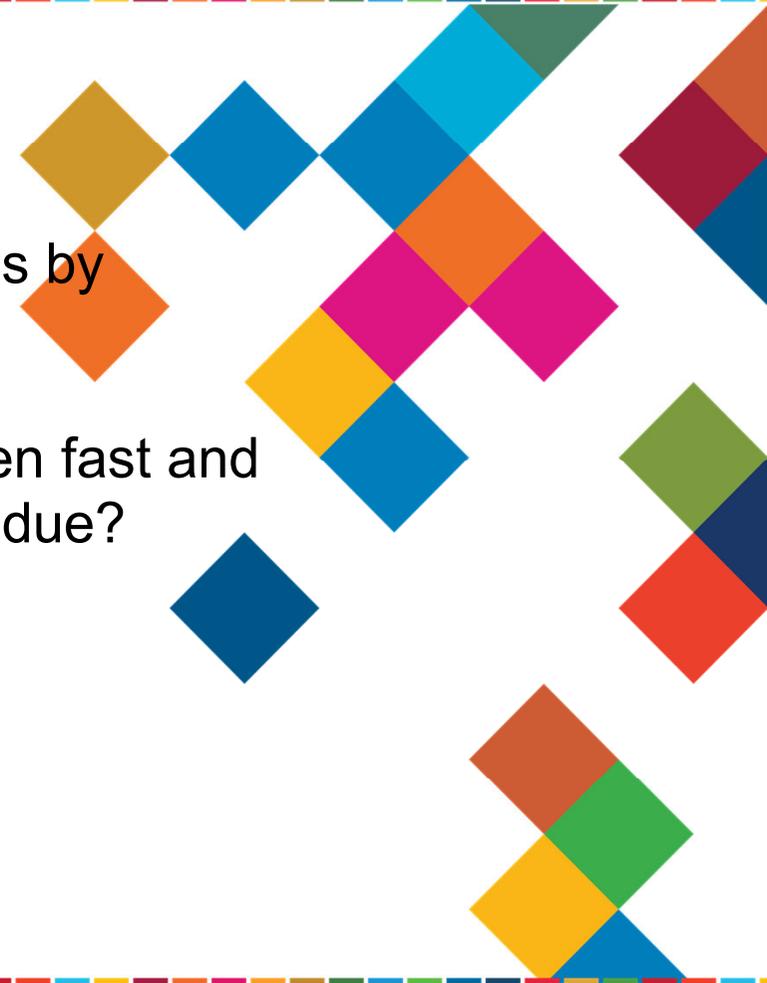
Initiatives such as the Land Governance Assessment Framework have identified many problems in many countries. It often appears forgotten, but in this context should never be, that it took many decades of unremitting effort for those countries in the top echelon of JLL's transparency index to get there, and that they can only remain there by maintaining that effort.

Similarly, it should not be forgotten how they started. It included experts in the relevant disciplines, including but not limited to valuation, pooling their data, information, knowledge, understanding and wisdom and entering as much as that as is communicable via systems into openly available systems wherein they could constantly correct and inform entries into that system. For AI to become useful in such contexts, those long, mountainous and winding roads must be traversed again.

4. Conclusion.

Not everyone, and not everything, can do that, but:

"Philosophical clarity enable[s] technical breakthroughs …
agency emerges not from larger models or more parameters
(i.e., scaling laws) but from deliberately selected philosophical frameworks
that facilitate autonomous reasoning and action …
Ultimately, AI agents must develop and deploy their own
decisions across philosophical domains
while maintaining alignment with human values" (Schrage and Kiron, 2025).

In that regard, there is a new kid coming onto the block: causal AI, uses cause-and-effect relationships to make predictions and decisions. As the definition of market value requires that valuers go behind the data and investigate the circumstances of sales to see how well they suit the requirements of that definition, with the enfolding of findings of behavioural economics into their systems such cause-and-effect technologies may be both more transparent and accountable and more fit-for-purpose than normal AI.

The way forward now is clear: in addressing AI,
our value theory, principles and practices must instigate
and keep vital a symbiotic relationship between the
"fast and frugal" processes and other insights provided
by behavioural economists, and collect and distribute their
findings via *causal AI-enhanced Land Information Systems.*
The latter point means that the internal aspects of valuation
decisions must also be included in communications
technology, as is consistent with the market value definition,
not merely the external realities.
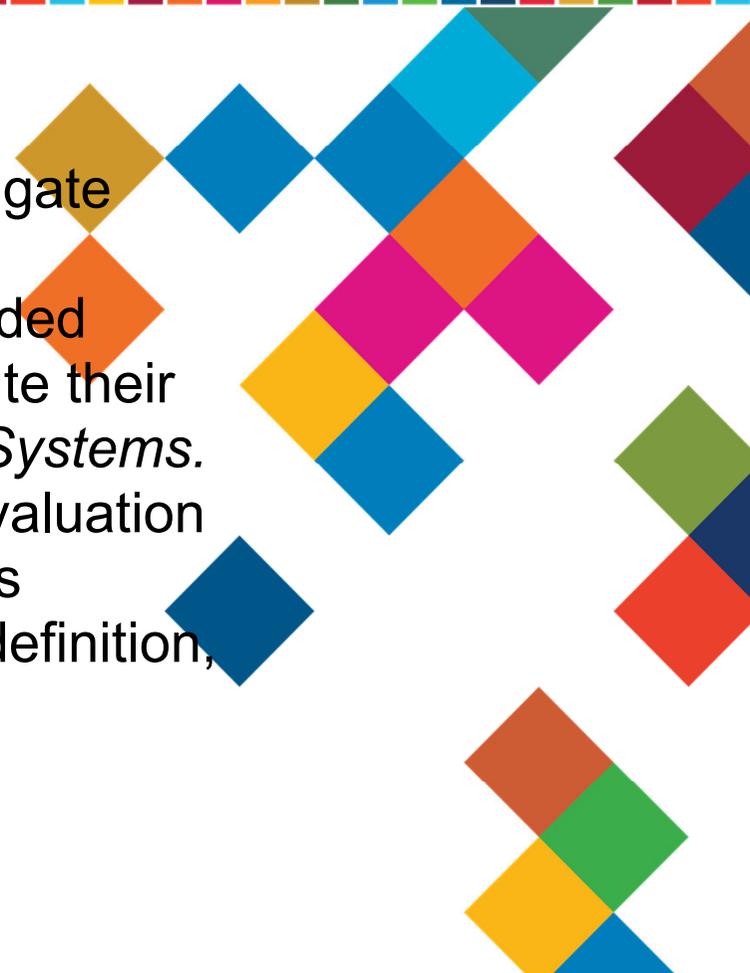
Thank you for your attention.

Are there any questions?