



THE GAMING OF NEARLY EVERYTHING: SOCIAL DYNAMICS WHEN THE GAME BECOMES REALITY

“It’s not whether you win or lose but how you play the game.”

– Popular aphorism

“Winning isn’t everything. It’s the only thing.”

– Vince Lombardi, football coach

“I don’t care if I’m right. I just want to win.”

– Robert Novak, media commentator

The Victorians believed that games could teach lessons about fairness and honesty. Even Cold-War-era television game shows purported to show the value of knowledge as a metaphor of the ultimate contest between the U.S. and the USSR. Recent attitudes about games have altered traditional game concepts, focusing on winning and denigrating losing. Everything in real life – dating, finding a job, personal appearance, business, markets, customers – is a candidate to be “gamed.” Being gamed means, among other things, creating a situation in which normal relationships become a game and then focusing on winning at any cost.

The gaming of nearly everything started in the financial realm, moved into business and has now become a primary source of entertainment. This spreading appeal of gaming opponents to beat them and the system has several effects on society, which we have called: “Never give a sucker an even break” (with apologies to W. C. Fields); “It’s not how you played the game but whether you won outright”; “It’s the game, the whole game and nothing but the game”; and “When all else fails, try sanity.”

Gaming, Winning and “You’re Fired”

At the end of each round of the recently completed television series “The Apprentice,” the host boss (Donald Trump, playing himself) would lean forward, almost scowling, and say to yet another contestant, “You’re fired.” The phrase “You’re fired” was the latest iteration of several pop-culture lines (e.g., “voted off the island”) that have emerged from a new television genre called reality programming. In all of the examples of this genre, participants

are playing a sometimes intricate game to win money, contracts or perhaps 15 minutes of fame. The game usually takes place outside the television studio – in reality, so to speak.

Contestants on the television show “The Apprentice” were playing a game – also called The Apprentice – to “win” the opportunity to be hired by Donald Trump. The show took a tense and challenging process that most individuals must endure – finding a job – and broke it into a series of manufactured contests, which, by the end of each broadcast, resulted in another applicant-contestant suffering the indignity of being fired by Donald Trump. When the boss blurted “You’re fired” at a contestant who, ironically, had never actually been hired, the show’s gaming theme came through: Getting hired is akin to winning, while not getting hired is akin to losing. Winners have jobs and retain them; losers neither find jobs nor hold them. By separating people into such categories, “The Apprentice” was successfully “gaming” – that is, making a game of – the job search. Evidently, the gaming of this real-life situation resonated with Americans, because 40 million of them tuned their television sets to watch either part or all of the final episode of “The Apprentice.” (*New York Times*, 4/17/04)

Victorian culture created games – everything from board games to baseball and basketball – to encourage youth to participate in an organized activity that was both fun and purposeful. Victorians wanted games that could teach the young socially approved concepts such as honesty, sportsmanship, fairness and competition, values purported to underlie the Victorian way of doing business. In short, Victorians used games to educate the young about the rules of society.

That point of view gained new emphasis after World War II, when Americans envisioned themselves in a geopolitical contest with the Soviet Union. Game shows on television focused on one of the areas in which Americans believed they could “win” the capitalist-communist “game”: knowledge. Game shows almost propagandized the value of knowledge. From the “\$64,000 Question” to “Jeopardy,” contestants have tried to answer questions that sometimes challenged and sometimes just flattered their knowledge base, whether that knowledge was useful, esoteric, critical or merely interesting. This perspective reached an endpoint with the board game “Trivial Pursuit,” whose very title seemed to admit, with a modern sense of irony, that knowledge games were, ultimately, about nothing important. But through it all, friendly competition, respect for the opponent and humility in victory were legacies of the Victorian ideal of games.

More recently, game theorists have used games to explore society. They create games with special rules as a research device to explore interpersonal, institutional and even diplomatic (or military) behavior. They use games to explain new dynamics, scenarios and possible outcomes of specific actions. Before making a move in a real chess game, for example, a player might think through many possible outcomes for, say, moving a knight to a specific square. In the same manner, a game theorist might create a game that simulates workplace dynamics in order to watch what would happen to interpersonal actions if, for instance, a manager were to change compensation systems.

Victorians and game theorists alike used games as metaphors – a way of conceptualizing and managing larger dynamics that might have been too complicated or confusing to explain verbally. A contemporary example, Sim City, a software program for computers (with another version accessible online) creates a metaphoric city (*i.e.*, a simulated city) that can be changed, altered and reworked as a user chooses. The dynamics within the program come from rules created and encoded in the software. The advantage of using this metaphoric construct is that the user can learn about the effects of rule or behavior changes. A city planner, for example, could learn what would happen, given the parameters of the software, to a city of a specific size should the government place another freeway through the middle of town. Schools and other institutions harboring a Victorian mindset could have students learn about personal responsibility and the effects of behavior by watching, for example, what would happen to a city if a few citizens started dumping trash on the streets.

Whereas Victorian and Cold War cultures used games to teach values and whereas game theorists use games to learn more about personal and institutional dynamics, contemporary culture’s propensity for gaming nearly everything uses games differently. The game is no longer a metaphor but rather an analogy, a gaming simulation of real life in which winning becomes the only important outcome. **What is learned is how to win**, and what are developed are tactics for winning. Not only do contestants in new game shows need to perform their own tasks well

but they also need to thwart – usually surreptitiously and deviously – their competitors’ efforts. In this way, these processes are like some Victorian sports that require both offense and defense.

In the game-analogy model, thwarting the opponent leads to a new wrinkle in the newest idea of gaming: how to treat a loser. Taunting losers on fields of competition has become accepted, even encouraged – end-zone celebrations in professional football and slam dunks followed by yells in the face of the opponent in basketball are examples of the new mindset, all watched closely by television cameras. Interestingly enough, the National College Athletic Association (NCAA), the agency charged with monitoring major college sports and perhaps with continuing the Victorian traditions of sportsmanship, has outlawed taunting in college sports.

Taunting points to a recent addition to gaming behavior: Winning involves enjoying someone else’s losing. During the voting sessions of the television mega-hit “Survivor,” contestants voice strongly negative thoughts about their competitors (“It’s personal”), and by the time the contest has reached a final vote, recriminations, antagonisms and insults have become expected. . . even encouraged. Like the mania of the 1990s – indeed, as an extension of that mania – gaming is reflecting a new world.

Who’s Gaming Whom?

During the late 1990s, society’s sense of financial value became distorted. Whether the entity was equities, mergers and acquisitions, compensation, return on investment or real estate, its market value rose to unprecedented levels. The escalating value of nearly everything, often quite rapidly and usually continuously, created a favorable environment for risky behavior and momentum suggested that it would ever be so. With risks seemingly tamed, a gaming atmosphere arose. Rising and falling stock prices had always made some people richer and some, poorer. But during the mania, the gaming aspect of equity markets became more pronounced because greater fortunes were exchanging hands, greater opportunities were arising almost daily, and, as in Sim City, events were unfolding much faster and reaction times were much shorter than in the past. Place some money on an initial public offering (IPO) in the morning, watch the stock price rise immediately, and then sell it in the early afternoon to some “greater fool” who might have to ride it back down. The goal was not the development of new companies with innovative products but to win at the game of equities.

As society has learned in the months and years since the equities bubble burst, not all players followed the Victorian ideals of honesty and fair play. The gaming attitude pervaded markets, and some companies, exhibiting what we have called “efficient morality” – the ability to rationalize any action as long as it yields desirable results – stretched their operating procedures and ignored traditional rules to win.

Even though the mania of excessive valuations collapsed, some obsessions have lingered. We have written about how performance mania continues to haunt school hallways, office corridors and athletic fields. Performance mania has produced numerous examples of those caught gaming the system – athletes taking more and more steroids, students downloading more and more school papers, and companies “managing” more and more segments of their earnings (see “Performance Mania Trickles Down, or Are Parents Driving Their Kids Crazy?” **IF 2216**, 6/13/01).

The gaming mindset has spread across large sections of society. The gaming of nearly everything originated in the financial arena, with individuals and institutions playing to win, even if it meant skirting some rules. The focus on gaming everything and on winning at any cost spread to business practices and continues to affect the way some corporations operate. Finally, the gaming mindset reached the field of entertainment, where it spread rapidly and made gaming nearly ubiquitous. A quick look at each of these arenas might offer an insight into the dynamics behind the gaming of nearly everything.

Finance – The gaming mindset sprang full blown from the maniacal evaluations and opportunities that developed during the market obsessions of the late 1990s. With wild returns on IPOs, huge “burn rates” in dot-com enterprises, readily available venture capital, and a steadily rising equities market, many “players” came to see the entire gambit as a game, something that could be “played” for ever-greater rewards. Having access to early buy-

ins for valued IPOs was more important than understanding what the company being offered did or how well it was doing it. Over time, these kinds of advantages resulted in a new gaming perspective: “Gaming the market” replaced “playing the market,” which had already replaced “investing in the market.”

Soon gaming the market became gaming the system, which led to huge collapses at companies such as Enron and WorldCom for illegal practices and at Sun Microsystems and Lucent for stock-player excesses. Alan Greenspan, chairman of the U.S. Federal Reserve Board, explained why such behavior might have become so widespread today: “It is not that humans have become any more greedy than in generations past. It is that the avenues to express greed have grown so enormously.” (*U.S. Banker*, 4/04)

Yet the recent concept that “winning is everything” and winning increasingly associated with success in business have certainly added to the incentive for gaming the system. Also, as David Callahan said in his book *The Cheating Culture* (2004), “bigger rewards for winning” have certainly advanced the cause of gaming (or cheating) the rules. More recently, gaming the financial system has attracted the attention of the district attorney’s office in New York City, which has been investigating unusual stock purchases and sales, mutual-fund industry practices, support of strange business practices abroad and rule-breaking preferential treatment of certain clients and employees (see “Morality: The Subtlest Victim of Mania?” **IF 2306**, 2/28/02).

The gaming mentality spread to other areas of finance, both public and private. Thirty-four states have turned to lotteries to fund essential parts of public budgets (*e.g.*, education), and gambling licenses granted to native American tribes across the country have brought gaming to states that otherwise have made gambling illegal. The governor of Texas recently called the legislature back in session to force the body to switch the revenue source for funding public education from property taxes to gambling, heretofore illegal in the state.

A new and unusually expensive board game, “Cashflow,” focuses players’ attention on how to advance their personal fortunes. With a price tag of \$195, “Cashflow” tries to provide serious gaming on issues of personal finance. Up to six people can play, and the first objective for a player is to devise a way to escape the “rat race” and move to the “fast track.” Meanwhile, those back in the office who are caught on the slow track as far as personal finances are concerned can organize office betting “pools” that turn anything from college basketball tournaments to Super Bowls into opportunities to game the games for financial benefit. They can also play fantasy baseball or football, drafting their own teams and watching individual players advance the fantasy team’s fortunes in a league that does not exist, all to win bets made by other fantasy managers. (*The Desert Sun*, 3/18/04)

Business—From the financial markets, the gaming mentality spread to businesses. As mentioned, giant stock collapses at several companies revealed how gaming had spread to corporate thinking. But starting on a more modest scale, gaming came to business through an Internet enterprise: e-Bay, the online auction site. Standard shopping practices have always included price competition among manufacturers or retailers—quite often in line with concepts like supply and demand. But those standard shopping practices rarely featured competition between customers for an item whose price could change in the process of trying to buy it.

The lone exceptions to these standard shopping practices were the usually-small auctions dispersed around the country. The Internet leveraged auctioning. As a result, e-Bay successfully gamed shopping, turning the process of selecting and buying something into a game that requires clever tactics and that, of course, produces winners and losers. Increasingly, the auction game has become a standard shopping practice. Cosmetic surgeons use auctions to determine how much they will charge for a selected surgery. Banks have recently used auctions to determine what return they will give customers for certificates of deposit (CDs). The U.S. Navy instituted auctions to entice midshipmen to volunteer for less desirable posts. (*Washington Post*, 3/27/03, *Education Week*, 2/11/04)

Gaming has reached the advertising business. Volvo and the U.S. Army both have created video games that users can play at the organization’s Web site. The game serves as a device to attract customers, who can play a game that involves using the car (Volvo) or being a Ranger (Army). When DaimlerChrysler launched the game “Get up & Go,” its site attracted 40,000 players in the first week, and nearly 70 percent of these players requested information about the company’s cars. Honda’s online gaming site attracted 78,000 players in the first three months, each player spending on average 8 minutes guiding a Honda car around the streets of a virtual city. Mitsubishi’s GT3

game brought so many calls from the U.S. to buy the depicted car (Lancer Evolution) that the company quickly changed distribution plans and decided to bring the European car to the U.S. Meanwhile, the Frito-Lay site combines auctions and games, allowing visitors to play any of several games and to participate in online auctions for items such as Casio watches and Nintendo games, using coupons from Frito-Lay bags as currency. (*Forbes*, 10/14/02; *Newsweek*, 3/10/03)

The “advergame” – advertising via a game – appeals to gamers because it gives them a free game to play, and advertisers like advergaming because it keeps would-be customers connected to the company’s site for longer than conventional television advertisements, especially in the era of remote controls and TiVo-style digital video recorders. Interactive advertising puts the game at the center of the advertiser-customer dynamic.

Entertainment – As the idea that any enterprise could be gamed became more and more acceptable to society, entertainment made the concept nearly universal. As in the business world, in which e-Bay spread the gaming mindset across the entire enterprise, in the entertainment arena, video games spread the gaming mindset. The whole video-game genre seeks to turn driving a car, riding a bike, hiking in the mountains, walking in a foreign country or any other real-world activity into a game. The game industry has been so successful that its revenues (nearly \$10 billion annually worldwide) exceed those of movie theaters, and that kind of financial success has caught the attention of those in the entertainment industry. Now, movie stars and film directors are joining the video-game craze. This summer, an independent video-game festival will travel the country. Much like rock concerts such as Lollapalooza of the recent past, GameRiot will play in 36 venues across the country and feature tents filled with machines offering a wide array of new video games. Tour T-shirts are available for purchase. (*Billboard*, 3/27/04; *International Herald Tribune*, 3/28/04)

The genre that most advanced the gaming concept for mass media has been television’s reality programming. As mentioned, “The Apprentice” gamed the job search, but the television industry has gamed many other aspects of contemporary life: dating, marriage, office dynamics, home decorating, remodeling, living with roommates, personal appearance and becoming a fashion model, a professional singer or a news anchor. A recent iteration, “The Swan,” features female contestants who believe they are “ugly ducklings” and who obligingly undergo plastic surgery to enhance their looks. They submit to such manipulation because they hope to win a series-ending beauty contest between fellow post-surgical players. Each week, the producers eliminate one of the contestants, insisting that she does not have a chance to win the series-ending beauty pageant. Those who do not win, must deal with the fact that they have received special cosmetic surgery and still lost. During all reality programs, the camera’s gaze – and implicitly the audience’s focus – concentrates, with some relish, not only on the winner but on the losers, as well. (*Entertainment Weekly*, 4/9/04)

Professionals of the gaming world have benefited from the rise of the gaming mindset. Las Vegas has abandoned its 1990s “family friendly” campaign that cost it customers and profits and has returned to adult gaming. The return of the city’s focus to gambling has worked. For example, Caesars Palace, a huge Las Vegas casino, just reported a doubling of its annual profits over the prior year. Meanwhile, professional poker – hardly an action-packed visual event – has become a popular show on ESPN, sports television. ABC-TV took what amounted to street diversions and kids’ play (e.g., skateboarding, bicycling) and converted them into the X-Games extravaganza, generating winners and losers among a generation of “athletes” who once shunned such distinctions. The most surprising turn of events in the rise of gaming, however, has been the large television audiences who have started to watch the national spelling bee. (*New York Times*, 3/8/04; *Los Angeles Times*, 2/5/04; *Reuters*, 4/22/04)

The process of selecting anything – from a bride to a surgical procedure – can become a game, thereby giving it entertainment value for participants and viewers. The mania, auctions and video games have helped spread the gaming obsession across the financial, commercial and entertainment arenas, teaching players, watchers and listeners how to game almost anything. Are these, then, the new lessons – everything is a game, and everyone is either a winner or a loser – that post-modern society (as opposed to Victorian society) has encoded in its games? Does the gaming of nearly everything signal a preference for a life-is-a-game worldview? If so, what does that mean for business and politics? Perhaps these examples offer some insight into the answers to these questions.

¶ In a survey of 402 mutual fund investors, fewer than half said they were concerned about allegations of illegal trading in the industry. Only a third expressed concern about late trading or market timing. As evidence of this indifference to the gaming of the fund industry, investors put near record amounts of money into mutual funds in January of this year. (*Chicago Tribune*, 4/21/04)

¶ Kuma Reality Games has launched an online video game that restages actual battles from Iraq. Players will have the power to alter decisions made during the real battles and to “play” the battles as they see fit. The company will continuously add new battles and missions, all taken directly from the Iraq war and its aftermath. “We don’t consider ourselves to be strictly a game,” bragged Kuma chief executive officer Keith Halper. “We see ourselves as being a new news paradigm.” (*Newsweek*, 4/19/04)

It’s Only a Game, Right?

Peter Levin, a Hollywood producer, has recently focused his thinking on the gaming mindset, what makes it work and what drives it. “The future of entertainment,” he has said, “is the **arrested development** business: sports, video games, toys and comic books.” He and his father, Alan, own several minor-league sports franchises, but they are now focusing on bringing martial arts to a new level of entertainment value. They are joining with the creators of the reality program “Survivor” to develop another reality program, “Enter the Dragon,” which will feature a series of contests wherein two martial artists enter a room and engage in conflict until only one comes out. After a series of worldwide competitions, replete with television exposure, the company will use the publicity generated by the contests to bolster a series of video games, comic books and animated films based on the competition. Seeing the link between games and arrested development, Levin has made gaming the point of origin for his entire enterprise, and he is using it to fuse several different businesses into one thematic endeavor. Meanwhile, another Hollywood producer has turned to architecture, planning an entire community around, beside and in a minor-league baseball stadium. (*Vlife*, 4/04)

These examples illustrate how, games have moved from the educational role Victorian society preferred its games to fulfill to a core enterprise holding communities together – from resources for learning about society to the glue that holds aspects of a business or a society together. Rather than help game theorists learn about society, the new role of gaming is to define society, to determine values and to organize activities.

This new role for games is possible because Americans are passing through an identity crisis. Faced with relentless changes all around them – some especially dangerous and others disheartening or distracting – individuals find their values challenged and ultimately their identities threatened. Some have felt overwhelmed and have become confused (Crisis Identity). Others have resorted to mainstream American traditions to answer questions about contemporary society, whether or not those traditions are relevant or have the context to answer the questions (Default Identity). Some Americans have moved to identify the sources of the challenges, to understand what they mean and where they originate and to develop an identity that fits the new reality (Sustainable Identity). For the moment, the Crisis and Default identities have the greatest influence on society (see “Viagra, Blue Neckties and Linux: Emerging Responses to the Challenges to Identity,” **IF 2503**, 2/18/04).

With so much in flux, gaming has become a way to define one’s place in society and to clarify how it operates. The combination of efficient morality, performance mania, and identity crises has allowed the gaming mindset to take hold. The belief that anything can be made into a game and that winning is the primary focus of nearly every social activity has implications for society, business and politics.

Never Give a Sucker an Even Break – When winning becomes the “only thing,” it lessens the strength of its counterbalancing social value: fairness. Because everyone loves a gaming schemer (the “confidence man” has a long tradition in American history), spin – the practice of manipulating descriptions of events or products to maximize their value for the speaker – does not irritate the gamer as much as it does non-gaming listeners. Spin’s excesses and evasions simply become part of some perceived game of politics, of advertising, of dating, of marriage,

of job hunting or of any other activity that has been gamed. Seventy-seven of America's largest corporations recently sent their lawyers to a conference entitled "Aggressive Advertising and the Law," where they learned that the number of company-to-company lawsuits over "false advertising" jumped from 249 in 1999 to 315 last year. Part of the new gaming mindset involves performing well while thwarting the efforts of the competitor. Lawyers became participants in gaming the marketplace. (*Business Week*, 4/19/04)

The attributes of a skilled game player – adroitness, cleverness, wiliness and inventiveness – contribute to a deceptive environment in which perception becomes more important than reality. Gaming can help sell products, and its appeal encourages players to ignore or circumvent traditional values. Consequently, resistance to the international outsourcing of American jobs – a wily maneuver for U.S. companies – may not carry as much political punch this election year as some strategists envision. Acceptance of greater risks, especially for higher rewards, could bring back IPOs, junk bonds (again) and speculative or emerging market equities and bonds. Some of this has already taken place: Can a small mania be far behind?

It's Not How You Play the Game but Whether You Win Outright – The gaming mindset prefers to win and to do so on a short-term horizon. Long-term strategies take too long to develop and can unravel before benefits emerge. As a result, gaming in its current iteration is primarily a tactical contest. One tactic, cutting costs (*a.k.a.* productivity), has resulted in more and more companies gaming their customers by making them do work once performed by the company – pump gas, check-out at the grocery, home supply or other store, check-in for airline flights at electronic kiosks, make hotel reservations or bank using company Web sites, and stumble through telephone "trees" to get answers to questions about billing. Who is gaming whom, here?

Business has grown especially comfortable with the gaming mindset of late. Since the mania of the late 1990s, the stock market has exemplified the gaming perspective, and its inherent value system has consistently rewarded corporations for making overt tactical moves and has ignored or overlooked long-term strategic plans. In this atmosphere, winning is narrowly defined as increased stock price (*a.k.a.* shareholder value), which is once again becoming corporate leadership's only focus. Meanwhile, focusing on winning at any cost plus a gamer's tolerance of "spin" and deception should fill this election year with a staggering amount of questionable information, despite the candidates' public testimonial, "I approved this ad." Voters as players in the election game will become "defenders of the empire" trying to deflect the language that will be thrown at them and to win their own contest to judge which candidate can do what they want done. But this has become an issue for individuals operating everywhere in the system. They have become so accustomed to inaccurate or misleading information – from online Web logs (blogs), spun news or advertisement narratives or the near omnipresence of gossip and rumor from Matt Drudge and his equivalents – that consumers now say they trust only their friends for information. Of course, with buzz marketing, in which companies send individuals undercover into bars or elsewhere to start people talking about a product, even the resource of personal contact could soon become untrustable.

It's the Game, the Whole Game and Nothing but the Game – With a gaming mindset focused on winning, companies hoping to "win" new customers may need to get themselves into a game. At one time, sponsoring a sporting event or buying naming rights to a stadium added clout to a company's marketing plan. Now, the company must be in the game, as illustrated by brand names on Nascar stock cars or as with the recently won right of companies to put logos on the jockey's silks at the Kentucky Derby. But even these actions are not effectively **engaging** the gamer's mindset. Sponsorships of video games, choreographing minor-league team events, the discovery and exploitation of new game concepts, "advergaming," product placement in video games, development of game programming (*i.e.*, television, computer, online) and anything that connects games to a product – these can enhance market awareness and soften buyer resistance.

When All Else Fails, Try Sanity – For those comfortable with the gaming worldview, everything is a contest, everything deserves to be spun and nothing requires honesty or fairness, concepts that seem anachronistic and quaint in the world that games nearly everything. For those moving beyond the Default Identity and leaving behind the Crisis Identity, this worldview may become trying and tiresome. For them, the opposite of the gaming mindset could be a welcome respite. In this approach, companies do not play customers for the greater fool, do not game their

collaborators and partners and do not deceive the market. Nothing of importance is a game, and honesty and fairness are critical. At present, however, these might be the contrarians in the marketplace. The entire gaming context has progressed quite far, but its mid- to long-term prospects are weak. The gaming of nearly everything may be reaching maturity.

In an economy that is sending jobs overseas at a faster and faster pace, growing substantially without proportionally expanding employment and forcing more and more would-be full-time employees to settle for part-time work, making a popular game from a job search may seem a bit contradictory, if not cruel. Yet not in the world of gaming. The job search is a game, with winners and losers, with favoritism and uneven playing fields and with arbitrary rules that push aside some and favor others. To the gaming mindset, “The Apprentice” –entertainment values aside–is, indeed, reality programming. In this world, the contestant who finally hears “You’re hired” wins more than the contest. He wins admiration for having played the system better than the system played him, and implicitly he won the “right” to relish seeing all other contestants lose. In a world that is gaming nearly everything in public and private life, he possesses much admired tactical skills that bring him the ultimate accolade in contemporary life: He wins.