# **Global Gambling**

Cultural Perspectives on Gambling Organizations

Sytze F. Kingma



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Cultural Perspectives on Gambling Organizations Edited by Sytze F. Kingma

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## Edited by Sytze F. Kingma



First published 2010 by Routledge 270 Madison Ave, New York, NY 10016

Simultaneously published in the UK by Routledge 2 Park Square, Milton Park, Abingdon, Oxon OX14 4RN

#### Routledge is an imprint of the Taylor & Francis Group, an informa business

This edition published in the Taylor & Francis e-Library, 2009.

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#### Library of Congress Cataloging in Publication Data

Global gambling : cultural perspectives on gambling organizations / edited by Sytze F. Kingma.

p. cm. – (Routledge advances in criminology ; 8) Includes bibliographical references and index.
1. Gambling – Cross-cultural studies. 2. Gambling – Case studies. I. Kingma, Sytze, 1960– HV6710.G525 2009 306.4'82–dc22 2009011029

ISBN 0-203-87039-5 Master e-book ISBN

ISBN10: 0-415-99677-5(hbk) ISBN10: 0-203-87039-5(ebk)

ISBN13: 978-0-415-99677-8(hbk) ISBN13: 978-0-203-87039-6(ebk)

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### Acknowledgements

The original idea for this volume emerged in May 2006 during the sociology of culture and gambling session of the 13th International Conference on Gambling & Risk-Taking, hosted and organized by Judy Cornelius and William Eadington of the University of Nevada in Reno. As a great source of inspiration this volume owes much to the ideas and scholars who came together at this conference. Following the conference the volume was gradually compiled, its composition changed several times and it was elaborated on in scope and depth. The volume should be conceived as a mutual achievement of all the authors, and the many other skilled and committed people who were involved. Thanks to the anonymous reviewers of both individual chapters and the book as a whole. For sharing their interest and ideas special thanks go to gambling scholars Per Binde, Jim Cosgrave, Roberto Garvia, Pauliina Raento and William Thompson. At the Department of Culture, Organization and Management of the VU-University Amsterdam, PhD student Natalia Zborowska, herself a specialist in Internet gambling and gambling regulation in the European Union, assisted with the editing process. Thanks for the interest and support which I received from my colleagues at the Social Faculty of the VU-University Amsterdam. Finally, Benjamin Holtzman and Michael Watters from Routledge are thanked for materializing the academic work for this volume in the Routledge series on advances in criminology.

Sytze Kingma, Amsterdam, March 2009

### **Introduction** Global Gambling

Sytze F. Kingma

'The secret of gambling is that money does not exist as value' (Baudrillard 1990: 86)

### CONSUMPTION

In *The Consumer Society* (1998 [1970]) French social theorist Jean Baudrillard compared the field of consumption to "a jungle in which the new wild man of modern times has difficulty recovering the reflexes of civilization" (Baudrillard 1998 [1970]: 25). By comparing the field of consumption with life in a jungle, Baudrillard points towards one of the major contradictions of the consumer society. This type of society generates a wealth of commodities, facilities, services and experiences designed to satisfy our seemingly endless needs. At the same time, this array of options raises the question of how to digest, manage and control this overwhelming wealth of opportunities.

In his analyses of consumption Baudrillard builds on classic American social accounts of the rise of the consumer society, such as David Riesman's The Lonely Crowd (1950/1961) and notably John Kenneth Galbraith's The Affluent Society (1958). Riesman claimed that the increasing ability to consume goods and afford material abundance was accompanied by a shift away from tradition or 'inner-directedness.' How to define one's self became a function of the way others lived and of what they thought and consumed. With this 'other directedness' the construction of one's social identity becomes dependent upon the behavior of others. Galbraith contended that the affluent consumer society needed a new way of thinking, a new economic understanding different from a production-centered industrial society. He also argued that economic theory should take into account the importance of advertising in artificially creating high rates of consumption to support high rates of production. Baudrillard concluded from such insights that consumption could no longer be adequately conceived as a function of human needs, but should rather be understood as a function of production. He defined consumer products in terms of a system of signs that shapes and creates needs, rather than satisfying them (Baudrillard, 1968/1988). Baudrillard imagined the twentieth century's revolution in consumption as an "equivalent and extension" of the nineteenth century's industrial revolution (Baudrillard, 1970/1998, p. 81). The masses, which had been transformed into willing (wage) laborers, had to be transformed into desiring consumers, because the selling of products and articles, at a certain moment in time, becomes more difficult than manufacturing them. The 'realization of capital'—receiving money in return for commodities at the end of the production cycle—becomes the critical issue for further capitalist development. Without the selling of products, investments will never result in profits. In a 'post-Fordist' economy the rationalization of production processes is therefore transferred into the fields of consumption. Consumption is organized in such a way that more people will be motivated to spend more money.

In The McDonaldization of Society, George Ritzer (1993) addressed the rationalization of consumption. McDonaldization refers to "the process by which the principles of the fast-food restaurant are coming to dominate more and more sectors of the American society as well as the rest of the world" (Ritzer, 1993, p. 1). The production processes of fast-food chain McDonalds, which Ritzer used as a metaphor for contemporary consumption, is built upon the principles of efficiency, calculability, predictability, and control through the replacement of human by nonhuman technology. Ritzer derived these principles from Max Weber's rationalization theory. But in *Enchanting* a Disenchanted World (2005), a book building upon and extending his work on McDonaldization, Ritzer also reverts to Karl Marx's theory of commoditization, and in particular Baudrillard's critical assessment of this theory in view of the rising significance of consumption. Following Baudrillard, Ritzer focuses on the development of the 'means of consumption,' which refers to the settings and structures that enable us to consume all sorts of things. The means of consumption are distinguished from that which is consumed. In the words of Ritzer:

Fast food restaurants are different from the hamburgers we eat in them. The means of consumption will be seen as playing the same mediating role in consumption that the means of production play in Marx's theory of production. That is, just as the means of production are those entities that make it possible for the proletariat to produce commodities and to be controlled and exploited as workers, the means of consumption are defined as those things that make it possible for people to acquire goods and services and for the same people to be controlled and exploited as consumers. (2005, p. 50)

In a similar way gambling enterprises are different from the games they offer. Note that Ritzer's definition of the means of consumption includes both the consumption sites and the role of the consumer. Ritzer (2005) in particular focuses on the category of the 'new' means of consumption, a

category referring to spectacular settings that have dramatically transformed the nature of consumption in the post–World War II era. Noteworthy examples include theme parks such as Disney's, fast-food restaurants such as McDonald's, shopping malls, cruise ships, and casinos. The new means of consumption are, however, not restricted to these spectacular examples but, to an extent, affect many contemporary consumption settings. They seek to control consumers in order to persuade them to spend as much as possible.

### LAS VEGASIZING

Interestingly, Ritzer explicitly regards and analyzes gambling settings, notably the Las Vegas casino-hotel, as 'paradigmatic' for the new means of consumption (Ritzer & Stillman, 2001). These megacasinos are not only characterized by the rationalization processes that Ritzer outlined for fastfood chains, but also by the principles of 'enchantment,' 'simulation,' 'implosion,' and 'surveillance,' which are equally important features of the new means of consumption. Rationalization serves to expedite consumption, while enchantment lures consumers to these sites. The Las Vegas casinos create spectacular environments by simulating well-known attractions from the past, present, and imagined future. They increase consumption by 'compressing time and space' (Harvey, 1989). They implode boundaries between gambling, entertainment, shopping, and tourism. In All Right, Okay, You Win (1992), a popular account of the Las Vegas Strip, David Spanier already regarded the 'aura of extravaganza' as its defining characteristic. There, earthly paradise can be enjoyed by masses of people in a temporary but overwhelming illusionary world. Spanier cited a top manager of a Las Vegas casino, claiming: "We are not in the gambling market anymore . . . We are selling entertainment, an environment to have fun in ... What people are really doing is buying time" (Spanier, 1992, p. 251). According to Ritzer and Stillman (2001, pp. 95-97), surveillance is a striking additional feature of the new means of consumption, for which casinos may also serve as exemplary. Security guards and electronic cameras help protect against the disturbance of normative order and theft, by gamblers as well as employees. In the Las Vegas casinos surveillance is also used in a productive way to keep track of, and dispense rewards to, active players through highly individualized marketing techniques.

Of theoretical significance is that Ritzer (2005) regards the overall process of 'Enchantment' as complementary to the process of 'McDonaldization.' As Weber argued, processes of rationalization often have irrational consequences and side effects. Rationalization may 'dehumanize' consumption settings, which would be counterproductive since they would then cease to be attractive. In Ritzer's account the enchanting of consumer settings leads to the construction of spectacular and attractive 'cathedrals of consumption,' countering and concealing the assembly-line-like features of mass consumption. Enchantment overlaps with processes that have also been addressed with the concept of 'Disneyization' as defined by Bryman (2004). Disneyization seeks to create variety and difference, where McDonaldization wreaks likeness and similarity. Important dimensions of Disneyization include 'theming,' which is about wrapping institutions and objects in a narrative that is largely unrelated to the institution or object to which it is applied. 'Hybrid consumption' is another dimension and comparable to the aforementioned process of 'implosion.' It refers to the general trend whereby various forms of consumption are combined and fused, such as shopping, gambling, theater, and dining, for instance. Other features included in Bryman's concept of Disneyization are 'merchandizing,' referring to the promotion by means of certain images, and 'performative' types of service work in which personnel must act in a certain way or display a certain mood.

The spatial dimension of processes such as enchantment and Disneyization is particularly striking. Gottdiener fundamentally addressed this spatial dimension in The Theming of America (2001). In this book he discusses the theoretical and historical backgrounds of the pervasive use, especially in North America, of overarching symbolic motifs that define an encompassing built space. According to Gottdiener, the themed milieu increasingly characterizes not only cities but also suburban areas, shopping places, airports, and recreational spaces such as baseball stadiums, museums, restaurants, and amusement parks. Gottdiener relates this cultural process directly to Baudrillard's theory of the consumer society, as well as to the Las Vegas casino. Following Gottdiener, theming refers to a process in which advertising and architecture collude to attract consumers and increase consumption, a process in which ultimately space itself, not merely the products and attractions located in space, is being consumed. The development of urban entertainment districts, as discussed by Hannigan (1998), concerns a specific aspect of theming. Hannigan conceives of these districts as 'Fantasy Cities,' which are not only characterized by themes, but also by aggressive branding strategies, by its day and night operation, its modular composition out of an array of standardized entertainment components, its isolation from the surrounding neighborhoods, and its spectacular simulations of reality. For Hannigan, Las Vegas definitely represents the successful development of fantasy cities.

Following authors such as Ritzer, Bryman, Gottdiener, and Hannigan, commercial gambling can nowadays be regarded as one of the highlights, sometimes even as the ultimate form of contemporary consumer culture. Although these authors, when discussing gambling, mainly refer to Las Vegas as archetypical, many of the outlined features regarding rationalization and enchantment can be discerned in the less spectacular but ubiquitous gambling forms, such as urban casinos, betting shops, racetracks, bingo halls, amusement arcades, and lottery shows on television. As Ritzer himself has argued, McDonaldization—and this supposedly goes for the complementary process of enchantment too—is not a uniform process, nor are its settings, services, goods, and consumers (Ritzer & Ovida, 2000). McDonaldization

has a variety of 'trajectories,' there is great variation in the degree to which organizations can be McDonaldized, and consumers do not always simply act in accordance with the demands of McDonaldized companies. The same applies to the commercial gambling forms addressed in this volume. Although the present volume does not include a chapter on Las Vegas—there are several excellent accounts addressing the gambling capital of the world (Gottdiener et al., 1999; Rothman, 2002; Schwartz, 2003; Raento & Flusty, 2006)-this volume is concerned with the process of 'Las Vegasizing.' In this process gambling facilities in many regions of the world follow a logic of development comparable to Las Vegas's, and follow-often to a lesser extent of course, its examples. However, the dynamics of development as well as the outcomes may differ significantly. This volume therefore adopts a bottom-up approach. The focus is on how processes of legalization, liberalization, and commoditization in gambling are framed by specific jurisdictions, gambling organizations, and local circumstances, stressing the dynamics, controversies, and great variety of global gambling forms. Without doubt, the many features of Las Vegas-style gambling, as outlined by Ritzer and Stillman (2001), are affecting the development of gambling in many regions of the world. But it is far more accurate to speak, in this respect, of 'glocalization,' a concept coined by Robertson (1992) to express the unbreakable unity of globalizing and localizing pressures (Terry & West, 2004). Globalization is a one-sided concept that always has localization as a complementary process. Global gambling forms often compete with traditional games and national institutions; they are adapted to local situations, sometimes actively resisted, or transformed into something new, leading to emergent gambling forms that feed into the global gambling repertoire. Indeed, Las Vegas-style gambling is perhaps better understood as one of many possible forms, as a specific—North American—gambling form, albeit a very powerful one. In discussing the global-local nexus, notably in relation to sportsbetting on the Internet, gambling scholar McMillen (2003, p. 61) concludes that "we cannot assume that the globalization of gambling is a uniform process that interacts with and influences all local cultures equally. Nor can we assume that resistance, accommodation, and agency are equal among every particular local culture."

It is the overall process in which commercial gambling forms develop that is the object of this volume. Framing gambling as a commercial commodity that is part and parcel of the global entertainment economy is basic to 'Las Vegasizing,' and its features characterize the recent development of gambling in many world regions (Thompson, 1998). This volume seeks to understand and further research the cultural dimensions of the global spread of commercialized gambling in all its diversity. As such the authors of the subsequent chapters are addressing specific forms of gambling that are part of the entertainment industry. In his classical anthropological account of gambling, in his essay on the Balinese cockfight, Geertz (1973) showed how gambling mirrored the status hierarchies and collective experiences of a local community. He made clear how the cockfight and its associated gambling practices were inextricably interwoven with the whole of a traditional society. However, commercial gambling in modern societies is something different. Gambling is differentiated in a specialized economic sector, in which the positions of operators, regulators, and consumers are organized in relatively autonomous social, political, and economic subsystems. Elsewhere I have described this institutional development of modern gambling in terms of a process of 'autonomization,' a change that claims pleasure is the primary motive for gambling and a regulated commercial gambling industry that has a growing share in and influence on society at large (Kingma, 2004, p. 63). Gambling organizations and their products have become ubiquitous and almost continuously available, and the returns of most gambling markets have grown enormously. Gambling is among the fastest growing industries in the world, and is also represented by a specialized and multidisciplinary field of gambling studies (Dombrink & Thompson, 1990; McMillen, 1996; Eadington & Cornelius, 1997; Reith, 2002; Schwartz, 2003; Smith et al., 2007). The gambling industry also represents increasingly complex organizational networks, including operators, regulators, researchers, consultants, and gambling addiction treatment specialists. The most recent development is the virtualization of gambling through forms of remote gambling, such as Internet gambling, which has had the consequence of challenging traditionally tight state sovereignty in many national gambling jurisdictions.

### ENTERTAINMENT

With the rise of the postmodern consumer society gambling has become increasingly regarded as an acceptable leisure-time pursuit. Gambling might, at least in some modes, be regarded as 'edgework' characterized by voluntary risk-taking as an end in itself, similar to other kinds of risky leisure pursuits such as skydiving, mountaineering, or drug-taking (Lyng, 2005). Paradoxically, gambling in its commoditized shapes is marketed and presented as a 'safe risk' in which the risks of gambling are largely-claimed to bebrought under control (Gephart, 2001). At the same time there is a growing awareness and care for the negative side effects, relating to crime and addiction. But the negative side effects of the expansion of commercial gambling do not necessarily undermine the expansion and treatment of gambling as an entertainment market, if we consider the gambling industry to be part of what Beck has described as the Risk Society (1992). In that case gambling is regarded as a type of 'risky consumption' (Cosgrave, 2006). Gambling organizations-lotteries, casinos, amusement arcades, betting shops, and bingo halls-offer risks for consumption, but also project risks onto their environments due to the possible dangers and harms related to gambling addiction and crime. These organizations bring promises of financial gain to operators, local communities, and states as well as to the gamblers, but

at the same time these ventures are associated with the possibilities of the negative consequences of financial loss, corruption, theft, the disruption of family lives, and even the suicide of gambling addicts. In a coevolution with commercial gambling the problem of, and care for, pathological gamblers has also emerged (Castellani, 2000). Contemporary gambling organizations are therefore increasingly associated with, and involved in, risk regulation and risk management.

Gambling may indeed be as old as mankind, but its popularity, game types, artifacts, organizational forms, and moral understandings differ greatly across history and cultures (Binde, 2005). In the context of the development of modern societies, nation-states, and capitalist as well as socialist economies, gambling was highly controversial and in many cases largely, but seldom completely, prohibited (Collins, 2003). Gambling was condemned on religious, moral, social as well as economic grounds. Where the exploitation of gambling was allowed, it was regarded as exceptional, for instance, in the case of a state lottery or in a marginal area, such as the state of Nevada in the United States, Monaco in Europe, or Macau in Asia. Collins (2003), who investigates the morality of gambling, argues that a moral case for banning gambling is untenable in a society committed to democratic values. States have legalized gambling activities as a source of revenue generation, although the shape of gambling policy and the types of gambling activity legalized vary from jurisdiction to jurisdiction. The move into gambling is an example of the state moving into culture, and culling an activity that it had for the most part defined as deviant and illegal (Cosgrave & Klassen, 2001). Cosgrave and Klassen (2001) argue that the liberalization and legitimation of gambling must be seen in the context of broader social and economic forces related to the deregulation of markets. The significance of the state's role in gambling enterprises demonstrates the changing shape of the state and its relationship to citizens in neoliberal societies.

It is not only the element of chance that makes gambling controversial but also the involvement of money. Money makes gambling particularly consequential. Notably, Goffman (1967/1972) defined gambling in terms of its 'consequentiality' and 'fatefulness.' Goffman, who conducted ethnographic research and also worked as a pit boss in a Las Vegas casino, contended that the possible significant consequences gambling actions might have for other domains of the gambler's life made these actions relevant for character building and identity formation. Conceived this way it is not the transaction of the gamble but the action of gambling that is important. From the perspective of everyday life, what is also meaningful seems to be the possibility of wish fulfillment ingrained in the fantasies of gamblers rather than the realization of such fantasies, a mechanism that Campbell (1987) historically traced and theorized as 'imaginative hedonism.' What is consequential for other life interests and for the future is not so much the amount of money you win, but rather the amount of money you can afford to lose. This loss is the price paid for enjoying one's self.

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Thinking of money one can hardly imagine an activity in which money is converted as directly and quickly into pleasure and entertainment as in gambling games. In gambling games the 'exchange-value' of money is instantaneously converted into its 'use-value'-mediated by chips, jetons, or lottery tickets-for producing the pleasurable experiences of play. This transformation involves a radical turn in the meaning of money. Gambling can, on the one hand, instrumentally be regarded as a means for enrichment, as a potential source of income. With reference to the 'abstract and generalized' meaning money has acquired in capitalist societies (Simmel, 1990), gambling can even be seen as an alternative to labor or capital investments. On the other hand, gambling can also be expressly identified with the objective of pleasure, as an end in itself. Gamblers can lose their sense of the exchange-value of the money wagered. This is what Baudrillard considered when he observed in his notebooks that "the secret of gambling is that money does not exist as value" (Baudrillard, 1990, p. 86). The ideal of gambling for its own sake, and not for the money, may be more or less comparable to the ideal of *l*-Art pour *l*-Art in the literary field. But just as in the literary field, and the arts more generally, this ideal should not be regarded as a natural self-evident condition-as inherent to art or play, but as a social and often controversial construction (Bourdieu, 1992/1996). Precisely the controversial character, as well as the remarkable advance, turns gambling into a strategic object of research. Games formerly labeled as deviant have now become common sources of pleasure and entertainment. How is this possible? How has this been achieved? The fascinating aspect of gambling from a sociological viewpoint does not so much reside in the extraordinary aspects of gambling, but all the more in the normalization of this activity (Dombrink, 1996). Gambling transforms from a dubious and marginal social activity into ubiquitous and acceptable, sometimes even highly respected, entertainment markets. This is anything but the 'natural' condition of gambling. The reconstruction of gambling as a respectable entertainment market should be regarded as a remarkable cultural, political, and economical achievement. This reconstruction should, however, also be regarded as context dependent and is not irreversible. Gambling in society seems to follow cycles of acceptance, frenzy, repudiation, illegality, and then again acceptance (Rose, 2003).

A decriminalization, a commercialization, and a positive (re)definition of gambling as innocent entertainment are stressed by a controversy about vocabulary. Respectable operators and regulators denominate their industry by 'games of chance,' 'entertainment,' 'customers,' 'guests,' and 'consumers' rather than 'gambling' and 'gamblers,' as these last words carry connotations of excessive and irresponsible gambling for money. Therefore, they often prefer the word 'gaming' over 'gambling.' The 'euphemisation' of gambling—the redefinition and taming of gambling as innocent entertainment, through the tempering of gambling norms, the confinement, and the stylization of gambling—is controversial, susceptible to contradictory interpretation and strategic manipulation (Kingma, 1997, p. 179). In general, the

'creative consumption' of products and services is crucial for understanding consumer behavior (McCracken, 1990; Willis, 1990; Featherstone, 1991). Meaning is not inherent to commodities, but produced through usages. To address this dynamic, Willis applied the concept of 'grounded aesthetics.' This is "the creative element in a process whereby meanings are attributed to symbols and practices and where symbols and practices are selected, reselected, highlighted and recomposed to resonate further appropriated and particularized meanings" (Willis, 1990, p. 21). Indeed, from the literature on gambling a long list of diverse and often contradictory motives for gambling behavior can be deduced (Smith & Preston, 1984). Virtually any meaning can be associated with gambling, ranging between extremes such as self-destruction versus self-esteem or individual thrill seeking versus extensive socializing. However, the same creativity in interpreting and constructing gambling facilities applies to the producers of entertainment facilities, and to the operators and regulators of the gambling industry. They frame gambling behavior through time-spatial arrangements, the rules of the games, price setting, advice-notably 'responsible gambling'restrictions on access and premises behavior, codes, and procedures of competition, advertising, and supervision. This could, in an analogy with the creative consumption of consumers, be referred to as a process of 'creative production,' which in itself is worthwhile to study but may also teach us something more about the cultural dynamics of the consumer society in general. In this volume gambling will primarily, but not exclusively, be perceived from the institutional perspective of the production of an organizational field, rather than from the standpoint of the consumer of gambling games. The focus will, in short, be on the development of the 'means of gambling consumption.'

### OUTLINE

This volume offers a range of cultural perspectives on gambling organizations. With this, the volume seeks to explore, and draw attention to, new directions in the field of gambling studies, a field that is currently dominated by legal, economic, and psychological research. From the perspective of gambling studies there is a special need for new directions. In her review of the gambling literature, Reith (2007, p. 25) remarks, for instance, that "we need more of the kinds of information that numbers alone cannot give us; to go beyond counting and begin to look at processes, meanings, and social contexts." Social and cultural perspectives can be regarded both as alternatives and as complements to the mainstream gambling studies. They are alternatives because they place gambling organizations in a new and different light, and offer new insights and interpretations for the construction of gambling organizations, and the controversies that these organizations are dealing with. They are complements because they show that gambling organizations are more diverse and complex than the usually straightforward accounts of jurists, economists, and psychologists seem to suggest.

In some respects the chapters bring to the surface submerged traditions in gambling studies, as is the case with historical and ethnographic aspects. In other respects new and promising approaches are adopted, as is the case with influences from technological, geographical, and cultural studies. The varied case studies draw upon various theoretical and methodical approaches. They are the outcome of historical, anthropological, and sociological research. Serious attention is drawn towards the rituals, symbols, meanings, values, legitimations, relations—formal as well as informal and the spaces and artifacts involved in the (re)production of gambling organizations. The case studies provide rich and detailed descriptions, and they stem from a wide range of global regions, including Europe, America, Africa, Asia, and Australia. Although the global influence of commercial gambling is evident, at the same time the case studies stress the unique local qualities of gambling organizations.

The volume follows a logic of scope, and is organized into parts on 'backgrounds,' 'scenes,' and 'contexts.' The backgrounds part offers insights into the histories, innovations, and constitution of the gambling industry. The scenes part addresses the understanding of the routines, the experiences, and the appearances of everyday gambling practices. The context part makes clear that contemporary gambling organizations affect and penetrate our societies at large, often in many and profound ways, for example, through advertising, the way gambling is confronted in family life, and the public debate on problematic gambling communities.

Part I starts with a chapter by Riita Matilainen about the founding of two Finnish gambling monopolies. From the perspective of this volume the chapter offers a good start because one of the preconditions of a commercial gambling industry obviously resides in the presence of legal gambling corporations. In many jurisdictions legalization involved the development of monopolies. These monopolies immediately point towards the close relationship between gambling and the state. The state not only legitimates and regulates, but often also actively provides gambling opportunities, and shares in or distributes the returns. However, the role of the state can be more or less prominent, and the way gambling monopolies emerge and develop can be rather diverse. In these respects Finland represents a unique case. In a straightforward historical account Matilainen explicitly relates the development of the Finnish monopolies on betting, lotto, and slot machines to the development of the Finnish consumer society and welfare state. She argues that the cultural and moral reevaluation of gambling in Finland should be understood as part and parcel of wider social and economical transformations. Of particular significance, regarding the dynamics that in the 1930s led to the founding of Finnish gambling monopolies, were the legal controversies over chance and skill and were interactions and forms of cross-border gambling with neighboring country Sweden. Matilainen draws

our attention to a dynamic of 'economic nationalism,' in which countries provide their own gambling opportunities in order to prevent money from flowing out of the country. In this respect the animosity between Sweden and Finland, specifically concerning Gymnastics, was highly influential to the organization and meaning of commercial gambling in Finnish society. Matilainen indeed makes clear that a proper understanding of gambling cannot exclude a sound analysis of its historical backgrounds, if only to remind us that the Internet was preceded by newspapers and mail in facilitating international competition and cross-border gambling.

In Chapter 2 the focus shifts from the state to the industry, which constitutes an equally important background to commercial gambling. In a sophisticated theoretical account, Richard Woolley and Charles Livingstone discuss the popularity of Electronic Gaming Machines (EGMs) in Australia, in particular the so-called poker machines. Adopting insights from Actor-Network-Theory, the authors discuss the development of the market and the innovation of slot machines, which are fabricated by a globalized industry. This analysis leads us deep into the EGMs interior construction as a consumer commodity, which to most of us usually, and sometimes even literally, appears as a 'black box.' One of the significant transformations in these seemingly unchanging artifacts is the transformation from a relatively simple stand-alone 'machine' into a complex networked 'device.' Woolley and Livingstone argue that, among others, this change induced an enormous increase in the options for meaningful interactions by gamblers. They make clear that the EGM provides for a relatively 'open space for meaningmaking activity.' In the second section of their account Woolley and Livingstone follow Cornelius Castoriadis's cultural theory of consumption. This section offers a complementary account in which they argue that the space for meaning making provided by the EGM suits the urges and objectives of the gambler, who is not simplistically seeking money or superficial thrills but, just as any consumer, seeks to create meaningful experiences. This search for experiences could be conceived, in terms of Castoriadis, as a 'vocation,' as some sort of 'duty' the consumer must fulfill in the context of the consumer society. Woolley and Livingstone are thus deeply concerned with the sociological understanding of the interactions between the gambling industry and consumer culture.

In Chapter 3 the background of global gambling is extended with the involvement of the civil society, nongovernmental organizations, and interest groups as well as the wider (voting) public. In an elegant account Jeffrey Sallaz compares the legalization of casino gambling in regions as diverse as South Africa and California in the United States. Following Pierre Bourdieu's field theory, Sallaz analyzes how in these regions certain groups were involved, in interaction with the state and gambling corporations, in the formation of a new gambling field. He shows in particular how various resources, in terms of Bourdieu, 'cultural,' 'symbolic,' 'political,' and 'economic' capital, were employed in strategies to legitimate casinos. In California, Indian Tribes succeeded in 1998 in gaining support for casinos by converting economic assets into public trust, through advertising campaigns. They won the sympathy of the public that could vote on the casino issue in a referendum. In their campaigns the Tribes proposed a limited casino market. In South Africa the ANC legalized casinos in 1996 by converting its political power, through mobilizing elites and commissioning reports, into financial returns, to be generated by a competitive gambling industry. In this case Sallaz draws particular attention to the constitution and the consequences of a decisive report on gambling policy. This chapter not only offers a clear understanding of the disparate contexts and outcomes in these comparative cases, but also vividly pictures the complex dynamics and unexpected turns followed by the groups and individuals involved. Sallaz thus demonstrates the methodological value of comparative analysis and the strength of Bourdieu's framework for analyzing the cultural dynamics of gambling policies.

In Part II the research lens shifts from the backgrounds concerning the constitution of commercial gambling to the actual scenes and settings of gambling practices in which gambling relations are routinely reproduced. The microscope is, metaphorically speaking of course, in this part more appropriate than binoculars. This second part of the volume starts with Chapter 4 by Richard Marksbury, who takes the reader to the blackjack table as a typical microspace of North American, in this case especially New Orleans, urban casinos. Marksbury illuminates the standpoint of classical anthropology and its method of ethnography, and argues how this standpoint could be applied to the corporate world of casinos. He makes clear that casinos should, from this perspective, be understood and studied 'as cultures,' rather than as organizations that merely 'have cultures.' As a culture, a casino, and what occurs inside, should be approached as a particular form of human expression. Marksbury argues that this approach makes gambling just as valid an object for ethnographic research "as kinship systems on Tahiti." Marksbury illustrates this position with a detailed analysis, based on extensive participant observation, of social interactions at the blackjack table. He follows Goffman's classic definition of 'action.' Our attention is drawn to the distinct social situation created by the table, the dealer, the players, and observers of the game. This setting appears as a social equalizer. Status differences that are relevant outside of the casino and the game do not seem to apply anymore. Besides blackjack the players "may share little to nothing in common." Although social bonding primarily takes place through the game, the game does leave some additional time for superficial associated social interaction. In his analysis of the blackjack setting Marksbury draws our attention to the social significance of position one and seven on the blackjack table, in blackjack jargon subsequently addressed as 'first base' and 'third base.' Overall, Marksbury pictures and advocates the casino as an exciting and challenging place for ethnographic research.

In Chapter 5 Wuyi Wang and Peter Zabielskis describe and explain the extraordinary operational system of VIP-customer services in the traditional Macau casinos. 'Extraordinary,' that is, from the perspective of Western business models typical of, for instance, Las Vegas's casinos. Macau's traditional VIP system is, however, in line with long-standing Chinese philosophies and business practices, which are based less on formal contracts and more on personal relationships. Wang and Zabielskis describe the complicated VIP system in great detail. They argue how in the 1980s the 'VIP-representative,' who acts as a subcontractor and recruits and guides the high-stakes gamblers, became a key figure in this system. The VIP-representative facilitates the gambler and makes money with socalled 'dead chips.' The whole system works on trust based on personal relationships, called guanxi, and honor, called mianzi. In a sharp theoretical account Wang and Zabielskis build on Mauss's theory of 'gift giving' and Bourdieu's theory of 'capital conversions' to explain how within this system personal relationships are cleverly, but not always overtly and directly, converted into economic resources and vice versa. Making money and making friends are in this case intimately connected. Wang and Zabielskis explicitly relate the system to Chinese traditions and business practices. With Macau's VIP system they clearly demonstrate that despite globalizing trends, capitalism, and indeed commercial gambling, is not a uniform phenomenon. It is always embedded in, and affected by, local circumstances. Interestingly, since 2002 Macau's gambling monopoly has been broken, and Nevada gambling corporations have entered the lucrative market. This leaves Macau with two contrasting and competing business models for casinos. Wang and Zabielskis make some calculated guesses as to where this might lead the traditional VIP system and Macau's gambling market.

In Chapter 6 Sytze Kingma, the editor, analyzes the spatial dynamics regarding the segregation, confinement, and concentration of gambling games within Dutch casinos. The spatial organization of casinos is closely associated with the construction of pleasure and entertainment. Kingma analyzes this process of creative production following Henri Lefebvre's framework for spatial analysis. This framework consists of a three-part dialectic between 'perceived space,' 'conceived space,' and 'lived space.' Each of these concepts refers to a different perspective on space. Kingma argues that casino space is deeply involved in defining entertainment and in producing pleasurable experiences. At the same time, the (re)definition of gambling as entertainment affects the construction of casino space. This reciprocal process concerns many aspects, ranging from urban planning and architecture, via advertising, access policies and the arrangement of gambling areas, to the servicing and surveillance of gamblers by casino personnel. While casino design favors entertainment in many ways, it does not simply determine casino experiences. Kingma explicitly demarcates Dutch casino space vis-à-vis Las Vegas-style casinos. He further maintains that the 'full meaning' of gambling as entertainment is only realized in the

performance on the gambling floor of the casino. This includes both the performance of gamblers and casino personnel. He suggests that servicing and surveillance addresses and reveals certain aspects of the 'lived space' of Dutch casinos, such as the 'informalization' of manners, tipping strategies, the perception of skill, and addiction. Although casinos are predominantly perceived as facilities for pleasure and entertainment, this is a heavily managed image. However, what exactly constitutes pleasure and entertainment in the context of casino gambling is not self-evident and is in many respects controversial. This chapter therefore highlights the ambiguous nature of gambling and casino space.

In Part III we move away from the commercial gambling settings and direct our attention to the ways in which gambling organizations affect the larger society. For this perspective we need a kind of 'radar' as metaphoric research equipment, rather than the microscope used in Part II or the binoculars in Part I. Radar enables us to scan a huge terrain and to penetrate (non)gambling locations and institutions. In Chapter 7 Per Binde discusses the controversies over gambling advertising in Sweden. Advertising is perhaps the most telling institution of the consumer society, and a means by which the gambling industry communicates with large audiences. Until the 1980s, gambling advertising was minimal and unwanted in Sweden. But together with the liberalization of gambling, promotion and advertising have become prominent features of the industry. Binde addresses in particular the controversies this has raised concerning lottery advertising. He focuses on the allegations that gambling adverts often convey misleading messages. Following the marketing literature on advertising he finds it important to distinguish between 'objectively' and 'subjectively' misleading advertising. From a cultural perspective, he also distinguishes between the 'real'-factual-world of the gambling games, and the 'dream' world of gamblers, who often associate optimistic ideas and images with the gambling products. In this respect Binde discusses a range of persuasive elements of gambling advertising, ranging from the idea that 'winning is easy' to the feeling that 'you might be lucky.' He argues that it is difficult, especially in view of the subjective dimension, to draw a sharp line between advertising that is misleading and advertising that is not. Advertising agencies usually explore the leeway in between these extremes. Binde finds it particularly problematic to argue that gambling advertising is misleading just because it stimulates 'wishful thinking.' He nevertheless offers a series of measures that would be relevant to 'responsible advertising' policies, one of which is providing accurate information about the costs and chances of winning to the gamblers. Overall, Binde develops a nuanced perspective on gambling advertising in which he stresses that gambling products are related less to money and more to the selling of 'fantasies' and 'hope.'

In Chapter 8 the household is put forward as another highly relevant context for the consumption of gambling products, not only because the household as the ultimate consumption unit is increasingly penetrated by

gambling products through the use of electronic media, but also because households regulate its consumption. In this chapter Anita Borch reveals how Norwegian couples manage gambling consumption, specifically male betting on football matches, in view of their household and private relationship. Borch builds her analysis on Marcell Mauss's theory of 'gift giving' and Bakthin's theory of context. She argues that the household comprises a complex set of material as well as symbolic exchanges in which partners balance their gambling relative to the totality of exchanges and their understanding of 'fairness.' This 'balancing' is guided by a set of rules that are both universal and contextual. Together with the balancing of gambling consumption the couples reproduce basic economic, social, and symbolic features of their household. Borch illustrates the operation of balancing rules empirically with a detailed discussion of four couples who did not experience serious gambling problems. Four balancing rules are highlighted, concerning individual versus common and relieving versus draining projects, the role of private space, and the implicit ideas about 'equality.' Of methodical interest is that Borch argues and shows how balancing mechanisms already operate in the interview setting. A focus on the gambling context of households and primary relationships is of special importance because with the spread of commercial gambling the regulation of gambling becomes, relative to government regulation, increasingly dependent upon self-regulation by consumers.

In Chapter 9 Fiona Nicoll discusses the public debate on EGMs in Australia and the cultural ambivalence between the popularity of these machines on the one hand and the often troubled image of these machines and their players on the other. She refers to the 'cultural economy' of gambling, which is about the way in which symbolic signs and cultural values frame and intervene in the gambling economy. Drawing on theories notably from Michel Foucault, Pierre Bourdieu, and Sarah Ahmed, Nicoll offers a vivid and critical, sometimes provocative, account of the cultural assertions and assumptions guiding the public debate on EGMs, and the way in which this may be related to the wider society. Nicoll wonders, for instance, why, in public debate as well as in academic research, the 'problem gambler' is far more prominent than the 'recreational gambler,' and how this might affect consumer behavior and the objectives of gambling policies. The search for the problem gambler can, for instance, be seen as productive in sustaining the 'happiness' of the recreational gambler. Nicoll also draws our attention to the affective connotations and symbolic presentations of EGMs as expressed in debates, advertisements, and the design of these machines. Nicoll is further particularly concerned with the way in which Australian politics addresses gambling in Indigenous Aboriginal communities. These politics are framed in discourses of 'practical reconciliation,' in which Indigenous communities must do something in return for government benefits. As a consequence, however, these communities are to a considerable extent still treated as dependent and vulnerable. With her critical analysis Nicoll is asking and searching for

more positive and just ways of presenting, researching, and organizing gambling in Australian society.

In this introduction I have not tried to give a complete overview of the gambling field or its literatures. Likewise, this is not the aim or pretension of the volume. I started with the debate on the commoditization of culture, in particular the McDonaldization thesis, and how it relates to the organizational field of gambling. My objective was to make clear that this volume is concerned with specific gambling forms and developments that concern gambling, organized in the shape of commercial entertainment. My objective was also to briefly indicate how the various chapters relate and contribute to the understanding of this global development. As this overview clearly indicates, the gambling industry represents a complex field of research and can be studied from diverse cultural perspectives. Gambling organizations comprise many detailed as well as generalized cultural aspects, and they are influenced by gambling as well as affecting gambling in various cultures and world regions. The chapters of this volume only represent a part of the possible routes that have or could be taken towards an understanding of contemporary gambling cultures. The authors and studies are brought together in the hope that this selection will inspire and challenge researchers and gambling specialists across the world.

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# Part I Gambling Backgrounds

### 1 A Question of Money? The Founding of Two Finnish Gambling Monopolies

Riitta Matilainen

### INTRODUCTION

This chapter deals with the founding of two Finnish gambling monopolies in 1938 and in 1940. The holders of the gambling monopolies are Finland's Slot Machine Association, RAY, and Veikkaus.<sup>1</sup> At the time of its foundation, Veikkaus was responsible for operating sportsbetting, mainly football pool. Both RAY and Veikkaus are still operational.

Compared to other European countries, Finns are eager gamblers. Finnish spending per capita on gambling is among the highest in the European Union (EU). In 2007, the gross gambling revenue of RAY was 652 million euro, 678 million euro for Veikkaus, and 55 million euro for *Fintoto*, the third holder of a Finnish gambling monopoly. Approximately 87 percent of Finns aged 15 years and over had gambled during their lifetime (Ministry of Social Affairs and Health, 2007). Seventy-three percent gambled in the 12 months prior to the survey. One in ten gambled multiple times per week.

Why should we be interested in the founding of Finnish gambling monopolies? Firstly, in the Nordic countries of the EU gambling has received surprisingly little attention in historical research. The vast majority of analyses of gambling altogether has focused on psychological and economic interpretations of gambling, and has tended to regard gambling as a deviant and dangerous activity. In addition, some sociologists have drawn attention to the classed and gendered nature of gambling behavior (Casey, 2003). Even though the founding of RAY and Veikkaus has been discussed in histories written about them, no attempts have been made to compare and contextualize their founding.

Secondly, there are many ways of organizing legal gambling. The model of state-granted monopolies in gambling has been in use in other Nordic and also other EU countries. In this respect a comparison will be drawn between Finland and Sweden. Both countries were in the vanguard in terms of the founding of state monopolies that organize football pool. It can also be claimed that the Finnish football pool monopoly holder Veikkaus copied its operations model from Sweden. The work of Swedish researcher Norberg (2004) is of great help here. Another reason for involving Sweden in this chapter arises from the work of Swedish historian Husz (2004), who studied the Swedish 'lottery fever' in the first part of the twentieth century. According to Husz, "the discussions about lotteries actually reflected more general dilemmas of the developing modern consumer and welfare society" (Husz, 2002, p. 54). Following Husz, my intention is to connect motives and explanations of the founding of the two gambling monopolies to the emergence of the Finnish consumer society and welfare state.

According to Finnish scholar Alho (1981), moral hostility towards gambling basically relates to the notion of money won in gambling contravening Protestant ethics. He states that, according to Protestantism, prosperity must be based on hard work and diligence and not on chance as in the case of gambling. Because of the clear moral objections I am interested in why and how the legalization and centralization of certain forms of gambling, in particular sportsbetting and slot machines, took place in Finland during this period. How was it possible to found RAY in 1938 and Veikkaus in 1940 despite the fact that gambling was considered a controversial issue in Finland? Was it a question of tax revenues or of something else? What kind of strategies did these monopolies adopt in order to persuade the authorities and the public to be more accepting towards the idea of legalized gambling? Was it the case that by modernizing and legalizing gambling the state was able to partly finance the creation of the welfare state?

I use the term gambling to describe the various forms of gambling that took place in Finland during the 1930s and 1940s despite the fact that the term gambling—in Finnish *uhkapeli*, literally 'risk playing'—has a negative connotation. The Finnish gambling industry favors the use of the term *rahapeli*—literally 'money playing'—since it is more neutral and socially acceptable a term than *uhkapeli*. With the term gambling monopoly in the Finnish context I refer either to an association (RAY) or to a joint-stock company (Veikkaus) to which the Finnish state has granted an exclusive right to undertake various gambling activities, such as the operation of slot machines and the operation of sportsbetting. This monopoly status has meant that no other, private or foreign, actors have had the legal right to operate a gambling company in Finland. Foreign competition was and still is banned. The exception to this rule is Ålands slot machine association PAF, which has a right to offer various forms of gambling on Åland, an autonomous part of Finland, and onboard ships.

As there were scarcely any discussions by the Parliament of Finland concerning the founding of RAY and Veikkaus, in this chapter I will rely on other sources, in particular the histories of RAY and Veikkaus that deal in great detail with their founding. The history of Veikkaus is called *Markat miljooniksi*. *Puoli vuosisataa suomalaista veikkausta* [Marks into millions. Half a century of Finnish pools] and was written by historian Heikki Ylikangas (1990). This is a celebratory book published on the occasion of Veikkaus's 50th anniversary in 1990. The history of RAY was authored

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by Jukka Kortelainen (1988) and entitled *Pajatso ja kansanterveys. Raha-automaattiyhdistys 1938–1988* [Payazzo and national health. The Finnish slot machine association 1938–1988]. This book was published to celebrate RAY's 50th anniversary in 1988. These two histories can be considered reliable sources of the Finnish gambling industry, even though they were financed by RAY and Veikkaus. Controversial issues have, for instance, been dealt with rather impartially. In addition, my own findings support many of the conclusions made in these two histories. I have reviewed the legislative development of gambling in Finland and will refer to some decrees and official memoranda. I also used materials of the Ministry of Internal Affairs from the Finnish National Archives and research reports from the Veikkaus archive. In addition, I will refer to newspaper articles to clarify the Finns' enthusiasm for money lotteries and their attitudes towards football pool. As to the Swedish history of gambling, I rely mostly on the studies by Husz (2002 and 2004) and Norberg (2004) indicated earlier.

I will continue this chapter by first discussing the history of Finnish gambling in the nineteenth and twentieth centuries by connecting gambling with the general development of the Finnish consumer society. This is followed by a detailed discussion of the circumstances and legitimations leading to the founding of Veikkaus and RAY, and the strategies used by these gambling monopolies to address the Finnish public, the gamblers, and the Finnish authorities. The case of Sweden is brought up especially with regard to the founding of Veikkaus.

### GAMBLING AND THE CONSUMER SOCIETY IN FINLAND

The history and practices of gambling in Finland in the nineteenth and twentieth centuries are, in many ways, linked to the general development of the Finnish economy, the consumer society, and leisure practices, as well as to the changing role of the state. It is also significant that an overwhelming majority of Finns are members of the Evangelical Lutheran Church, which has influenced the perception of gambling in Finland as the Church traditionally opposed gambling.

According to historian Heinonen (2000), the development of a modern Finnish consumer society can be divided into three stages. The preliminary stage of a consumer society started in the late nineteenth century and lasted until World War II. During this period, Finland was a largely agrarian country. By 1930 less than 20 percent of Finns had become urbanized. The monetary economy made its final breakthrough in the countryside, and the differences between the countryside and urban areas regarding consumption were clearly visible. However, new leisure activities and media, such as films, radio, and new magazines began to have an impact on the Finns' free time (Heinonen, 2000). The interwar period, after the declaration of independence in 1917 and the ensuing Civil War in 1918, was a time of rapid economic growth with an annual average GDP growth rate of nearly 5 percent between 1920 and 1938 (Eloranta & Kauppila, 2006).

This period saw the legalization of many gambling games and also the founding of RAY. In Finland, as in many other countries, money lotteries were the first form of organized gambling. They were introduced at the end of the seventeenth century. During the nineteenth century, the organizing of money lotteries gradually ceased and they were defined as an unethical, illegal action by the criminal code of 1889. However, 'lotteries of goods,' that is, lotteries without money prizes and for charitable reasons, were permitted during the nineteenth century until the criminal code of 1889 made them subject to license (Kortelainen, 1988). The decree on lotteries of goods issued in 1920 stated that the lottery license could only be given to public lotteries that were organized for the public good (Arpajaiskomitean mietintö [A memorandum of state lottery committee], 1973). The first legal money lottery was organized after the reformation of the criminal code in 1926. Licensed money lotteries were permitted provided that the revenues would be used for promoting culture and sciences. Before the legalization, Finns were eager participants in foreign money lotteries, particularly in Sweden. By the 1920s, it was decided that the money leaving the country would be better used to benefit Finnish cultural institutions. Thus, in 1926 the Finnish National Opera and the Finnish National Theatre were given a license to organize money lotteries. Oy Finanssilaitos (Finance Institution PLC) was responsible for organizing money lotteries as an affiliated company of a commercial bank in Helsinki. In 1976 Veikkaus was granted a monopoly to organize money lotteries (Kuvaja, 1976). The number of money lotteries held annually rose from 1 in 1926 to 12 by 1935. The 50,000 lottery tickets issued were always sold out due to a strong demand until the outbreak of the Winter War in 1939.<sup>2</sup>

The influence of Sweden can also be seen in the decree, issued in 1927, legalizing the tote. Four years earlier, in 1923, the tote had been legalized in Sweden provided that the revenues were used for horse breeding (Norberg, 2004). According to the tote decree, the right to carry out betting on horse racing was granted only to Finnish national organizations that dealt with horse breeding, trotting, and riding. The totalizator was introduced the following year but due to unattractive odds the tote gradually faded in popularity. This situation remained until 1965 when the betting statute was amended to be more favorable for bettors. The tote's popularity and turnover subsequently started to rise. In 1973 national organizations for trotting and horse breeding united into *Suomen Hippos* (the Finnish trotting and breeding association), which in turn owns *Fintoto*.<sup>3</sup> *Fintoto* has a monopoly on organizing various tote games in Finland (Kortelainen, 1988).

World War II brought with it a scarcity of food and raw materials and Finns faced a period of rationing. The 1950s and 1960s witnessed the breakthrough of the modern consumer society, referred to by Heinonen (2000) as the second stage of the development of the modern Finnish consumer society. Typical phenomena of this era concerning consumption are the influences of North American commercial popular culture, the 'birth' of the commercial youth culture, and the introduction of many new consumer goods and durables such as televisions and cars. In 1965 a five-day working week was gradually introduced. This change in working life was one of the factors contributing to an increase of leisure time and private consumption. The 1950s and 1960s were also a period of great internal and external migration. The agrarian way of life suffered greatly when the baby boom generation of people born from 1945 to 1950 moved to towns and cities, or emigrated to Sweden.

Of utmost importance in understanding the Finnish society of this era is the formation of the welfare state, which introduced various social security benefits. During this period, Finland followed closely the examples of welfare societies set by other Nordic countries, particularly Sweden. This development was made possible by rapid economic growth and structural changes in the economy. The Finnish welfare state grew significantly in the 1960s as the growth of public expenditures accelerated (Eloranta & Kauppila, 2006).

Veikkaus was founded in 1940 to benefit Finnish sports. Football pool were the most profitable of Veikkaus's products, until 1971 when the game of lotto was introduced. This was also the golden era of the slot machine called the *Payazzo*, which after World War II became an essential feature of coffee bar milieus in the Finnish countryside. During this period the money lotteries and lotteries on goods were also popular.

The third stage is addressed by Heinonen (2000) as the era of the affluent and mature consumer society, and dawned in the 1970s. In 1970 the game of bingo was introduced to Finland and immediately became a very popular means of funding activities for sports and political associations. The Finnish legislation required bingo prizes to be goods and no money could be involved (Kortelainen, 1988). However, the introduction of lotto in 1971 by Veikkaus, and its immense popularity, could be considered as a turning point in the history of Finnish gambling. In 2009 lotto is still the most popular gambling game in Finland, and it attracts both women and men in almost equal proportions. Many Finns do not consider lotto to be gambling and it certainly has become the most socially acceptable form of gambling in Finland. Lotto playing can be regarded as an acquired routine, something you do every week even though it cannot be said that you are addicted to it (Falk & Mäenpää, 1999). Nowadays, every Saturday night the lotto machine draws seven numbers and three extra numbers. The overall feature of this period is, in addition to bingo and lotto, the diversification of gambling, with in particular the introduction of roulette in high-class nightclubs in 1969, the introduction of scratch cards in 1981, and the establishment of the first and so far the only Finnish casino in 1991 in Helsinki.

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Unfortunately, it is virtually impossible to estimate the popularity and the amount of money spent on illegal gambling in twentieth-century Finland. It is known that card playing for money was a favorite pastime among lumberjacks and probably also among army personnel and conscripts (Snellman, 1996). In addition, from the beginning of the 1950s to the end of the 1970s there seem to have been many places in Helsinki where organized illegal card playing for money took place (Nykänen & Sjöberg, 2005). Illegal gambling has also been described in Finnish fiction. As early as in 1887, Rafael Hertzberg (1887) addressed the issue of upper- and middle-class gambling and its demoralizing consequences in his Swedish-language novel Helsingfors-Monaco: Skildring ur vårt hufvudstadsliv [Helsinki-Monaco: A description of our metropolitan life]. The protagonist Carl Möller ultimately kills himself in Monaco, having lost all of his money as well as the money he had been loaned by his father. Väinö Linna, who is considered one of the most important Finnish writers of all time, depicts in the novel Täällä Pohjantähden alla [Under the North Star] (1960) the lives of Finnish crofters and landless people at the end of the nineteenth century and the first part of the twentieth century in the Finnish countryside. In the scene, taking place around 1915, Linna describes how Uuno Laurila stabs to death a character called Vänni, whom Uuno blames for his losses in card playing. The 'unholy trinity' of drinking, card playing, and prostitution is very evident.

# SLOT MACHINES IN FINLAND

Slot machines were introduced to Finland in the 1920s. Germany played an important part in this since most of the slot machines were bought from Germany (Kortelainen, 1988). Some of the most successful slot machine entrepreneurs were of German descent. There were slot machines everywhere in Helsinki, in restaurants, cafés, in the foyers of public saunas, and even in the open air. By 1927 the legality of these new machines was challenged for the first time and a long-lasting debate commenced on whether the Blau Wunders and Bajazzos were pure games of chance or rather games of skill. The Ministry of Internal Affairs considered the slot machines to be games of skill and thus legal, but the Chancellor of Justice wanted the police to interrogate a number of slot machine entrepreneurs and verify the legality of their business operations. However, in 1928 the court in Helsinki acquitted all accused entrepreneurs and business continued as usual. In 1929 the first decree regulating the business was issued when the law on stamp duty divided the slot machines into two different categories. It was declared that the owners of slot machines whose practice was considered comparable to money lotteries should pay a stamp duty of between 50 and 300 Finnish marks per month per slot machine, whereas the stamp duty was only 50 to 100 Finnish marks per month for those slot machines that were considered to be a game of skill.

By 1931 some slot machine entrepreneurs sought to improve their negative image by cooperating with some charity organizations. This can be considered the start of the development that later led to the establishment of RAY. Among the first charities to have their own slot machines were child welfare organizations and the Blinds' Association (Kortelainen, 1988). In 1933, a new decree was issued, stating that only organizations for the public good were allowed to operate slot machines. The governor of the county was required to grant permission to operate the slot machines. According to the decree, it was no longer allowed to place slot machines in places where children could access them without adult company. Also, the individual winnings gained from slot machines could not exceed 5 Finnish marks. However, private businessmen were still allowed to own and produce slot machines, and to cooperate with charity organizations. From 1934 onwards, slot machines were the most important source of revenue for many charities. Thus, the Ministry of Internal Affairs' idea to terminate the operation of slot machines was never feasible.

During the 1920s and 1930s there was public discussion, mainly in the newspapers, concerning the moral and economic consequences of the slot machine 'craze' (Kortelainen, 1988). The primary concern was excessive gambling and children and young people being impacted by a negative environment. However, the moral condemnation of slot machines was not the primary concern of Finnish authorities, since they were more concerned with limiting the number of organizations that would benefit financially from this market. In 1937 there were approximately 50 organizations that operated slot machines, but the distribution of profits was very unequal because there were only three organizations that operated more than 50 slot machines. The situation changed in March 1937 when the future Finnish president, Urho Kekkonen, was chosen as the new Minister of Internal Affairs.<sup>4</sup>

# The Founding of RAY

The centralization of slot machine operations was made possible by a decree issued by Kekkonen in December 1937. According to this decree, the license to operate slot machines was to be given to an association that had yet to be founded. The membership of this new association was reserved for charitable associations only and for associations endorsing national defense. The profits were considered benefits to member associations and government organizations. The member associations were not given a privileged position, which meant a more equal distribution of slot machine profits than before. It was forbidden to locate slot machines in places where the majority of visitors were of limited means. The regulations concerning children were similar to the previous decree, which was issued in 1933 (Kortelainen, 1988).

It is worthwhile noting that no law was enacted because it was considered sufficient to regulate the operations by decree, and because it was a prompt and flexible way of addressing the situation. According to Kortelainen (1988), the enactment of a law in Finnish Parliament would have been a lengthy procedure and there were no guarantees that the law would have passed due to its controversial contents. Another reason might have been that at that time the future of the slot machine was still considered very uncertain.

In January 1938 the new association was founded in Helsinki. Eight associations participated. Some of the associations that were already operating slot machines did not join the new association, even though there was a consensus on political impartiality and on the need to have charities representing people from different demographics as members of the association (Kortelainen, 1988). The legal status of the newly founded RAY was that of a private association, but the Finnish state reserved the right to choose half of the members of the executive committee. The founding associations accepted this arrangement because they believed that the involvement of the state would give the new association more legitimacy, and because the decree on operating slot machines ordered the Council of State to be the distributor of the benefits of RAY. The executive committee chose a working committee from its members, which became the executive power of RAY (Kortelainen, 1988; Matilainen and Valkama, 2006).

RAY started operating in April 1938. The most pressing matters were the acquisition and servicing of slot machines. RAY decided to manage the service independently, but the acquisition of the slot machines owned by private businessmen proved to be difficult. Altogether RAY acquired 886 slot machines, after three private owners and producers of slot machines had partnered to inflate the prices. Simultaneously, RAY was negotiating with the restaurant proprietors over the rental of space for slot machines in so-called 'second-class' restaurants, was able to drop the rental to 20 percent of the gross proceeds of each machine (Kortelainen, 1988). It is worthwhile noting that it was an old practice in Finland to divide restaurants and cafés according to their class. Sillanpää writes:

At the turn of the nineteenth century the town councils of Helsinki and Turku divided restaurants into three categories. The first class consisted of the biggest and best kept hotels that were patronized by the upper class. The third class consisted mostly of eating houses used by the working class. Restrictive measures were speedily taken to control especially the restaurants frequented by the lower classes. (2002, p. 254)

In the 1930s the same system was introduced when Prohibition ended. Sillanpää (2002) notes that an international first class and a fourth class were subsequently added to the three classes just mentioned. Moreover, Parliament also prohibited dancing in restaurants in 1935, as it was seen to encourage prostitution and alcoholism. The visiting of restaurants by the lower classes was under particular control. In May 1938 RAY decided to start producing its own slot machines, which was a setback for private slot machine producers. The service and collection of the gains from slot machines were allocated to a network of authorized representatives who were mostly policemen. Policemen were preferred for the job to enhance RAY's trustworthiness (Kortelainen, 1988). The first operating year was successful with a total return of 24 million Finnish marks, of which 14 million Finnish marks were distributed as benefits (Kortelainen, 1988). In total 84 organizations were benefiting. The organizations that had owned slot machines prior to the centralization of slot machine operations received the largest share. There were slot machines in 78 different localities and the busiest places of business were the cities of Helsinki, Vyborg, Turku, and Tampere. In 1938, the total number of slot machines was 670, approximately 80 machines less than in the previous year.

# THE SWEDISH 'THREAT' AND THE FOUNDING OF VEIKKAUS

In 1940 Veikkaus was established as a joint-stock company by several sports associations in order to collect funds for the benefit of Finnish sports. Veikkaus and its first major football pool have an interesting prehistory. Pressure from Sweden was clearly felt in the process of establishing Veikkaus, but the Swedish example also offered a model for Veikkaus's operations. In 1934 in Sweden Tipstjänst (pools service) was given an exclusive right to operate football pool. The Swedes had already started offering the pools in the 1920s when Sweden was taken over by a 'pools frenzy.' By the end of the 1920s pools had grown into an uncontrolled large-scale industry. It was possible to participate in the pools everywhere in Sweden, even though legislation only allowed the organization of state-approved lotteries and tote games (Norberg, 2004). It was estimated in a Finnish newspaper that by 1934 there were approximately 110 illegal pool operators in Sweden.<sup>5</sup> After World War II, other Nordic countries followed Sweden and Finland. Norway established its pools operator in 1946, Denmark in 1949, and Iceland in 1952 (Ylikangas, 1990).

In 1932, in Gothenburg, Sweden, the Finnish and Swedish branch offices of a British firm called Everyman's Football Pools Company were established. In Turku and Helsinki there were a couple of businessmen who managed the Finnish section of this company, but in 1933 the authorities forced them to stop their activities. However, the Swedish 'threat' was not to be removed so easily. It has been estimated that before World War II approximately 1,500 to 2,000 football pool coupons were sent to Sweden every week. Great Britain had also found favor with Finnish gamblers.<sup>6</sup> Via post it was relatively easy for Finns to maintain contact with the Swedish gambling industry. The knowledge of Swedish made participation convenient, especially in areas around Helsinki, Turku, and Vaasa. In 1936, *Suomen Urheilulehti*, a Finnish sports paper, published coupons for Finnish football matches. In court the sports paper was accused of having broken the decrees on lotteries and lost the case. The sports paper tried to defend its actions by explaining that participating in the pools demanded expertise and thus should not be considered a game of chance. A year later yet another actor took an initiative, when prominent banking firm *Oy Wilh. Bensow Ab* (Wilh. Bensow PLC) founded a pools company. The authorities refused the firm the necessary operating permit (Ylikangas, 1990). It is interesting to note that no illegal pools were allowed in Finland, whereas prior to 1934 in Sweden the situation was totally different.

Who was behind the opposition to the football pool in Finland? According to Ylikangas (1990), it was the right-wing Finnish Gymnastics and Athletic Association's (SVUL) negative stand on football pool that affected the attitudes of Finnish authorities. The reason for this was that the influential SVUL estimated that it would receive more funding directly from the state than by organizing football pool. In 1937 this association stated, as a response to petitions by small sport organizations to the Ministry of Internal Affairs on the issue of football pool, that no activity of such importance as sport should be funded with money earned through the suffering of those unfortunate enough to have a gambling problem. It also pointed out that in case of the start of the football pool, the right to operate pools should be given to a joint-stock company that was required to be under the supervision of the state and voluntary sports organizations. SVUL worried that some smaller sports organizations would capitalize on this gambling market at the expense of SVUL (Ylikangas, 1990). Similar arguments had been used in Sweden when Tipstjänst was founded and the revenues were thought to be channeled straight through Tipstjänst to benefit sports (Norberg, 2004). Some representatives of the Swedish Sports Confederation expressed their unwillingness to associates themselves with the 'dirty' money that had been obtained from gambling. They also worried that the pools might ultimately be just a craze, and that pools revenues might undermine the security and continuity of the state's financial support.

The lost Winter War in 1940 against the Soviet Union, and consequently the grave need for revenues, changed the attitudes of Finnish authorities and sports associations. The founding of Veikkaus took place very swiftly. In May 1940, it was announced that government grants for sports would cease altogether due to the harsh financial situation. In the same month, the left-wing Workers Sports Association adopted a proposal according to which the association should open negotiations with other sports associations on the matter of establishing football pool operations. In June negotiations between the Finnish Football Association, the Workers Sports Association, and the SVUL led to the establishment of a joint committee. By the end of June there was a press conference attended by the general manager of the Swedish *Tipstjänst*. The newspaper article covering the press conference focused on the Swedish experiences.<sup>7</sup> It stressed that in the past five years 'sports lotteries' had helped to raise unbelievable amounts of money for Swedish sports, even though 50 percent of the stakes were returned as winnings to the gamblers. The newspaper also stated that the Finnish 'sports lotteries' would most likely be organized according to the Swedish model, which was why the leaders of *Tipstjänst* visited Finland. These leaders estimated that 'sports lotteries' would have a bright future in Finland since many Finns took part in the Swedish pools. In the article no Finnish actors were quoted. By the end of July the company was officially registered (*Oy Veikkaustoimisto Ab 1940–1955*, 1957).

In August 1940 the decree concerning betting on sports contests was issued. It is worth noting that, as with slot machines, no law was enacted to regulate sportsbetting. According to the decree, it would be possible to organize public betting on sporting events with due license. Such a license could only be granted to a Finnish company especially established for this purpose, and whose chapters of corporation assigned at least a percentage of profits to the Finnish state. The third section stated that the license for the organization of betting was granted by the Ministry of Internal Affairs for either a single event or competition, or for a certain period that was not to exceed five years. The Ministry of Education was made responsible for distributing the profits for the promotion of sport and physical education. Within one week after issuing the decree, the government granted Oy Tip*paustoimisto Ab* (pools office PLC) its operating permit, and in September the first football matches to figure in the company's coupons were played (Oy Veikkaustoimisto Ab 1940-1955, 1957). From the beginning it was the football matches that proved to be the greatest incentives for pools enthusiasts, but during the war Veikkaus resorted to matches of *pesäpallo*, Finnish baseball, and was even forced to allow the Finns to bet on the results of woodcutting competitions between different cities. In 1941 the gamut of different sports used by Veikkaus was wide-ranging. Finns betted on football, bandy, handball, basketball, ice hockey, wrestling, pesäpallo, boxing, netball, cross-country skiing, and water polo (Ylikangas, 1990).

Football pool betting began successfully, but waned during the course of World War II. After the war the popularity of football pool grew significantly as the amount of columns played by Finns doubled every year until the beginning of the 1950s. Participating in the pools was a male-dominated activity, and the urbanized lower-middle class was the backbone of Veikkaus throughout the decades (Ylikangas, 1990).

#### STRATEGIES TO MAKE FINNISH GAMBLING LEGITIMATE

Which strategies were adopted by the gambling monopolies in order to make the idea of slot machines and sportsbetting more acceptable to the authorities and the Finnish public? To answer this question it is also worth-while to refer to the Finnish counterpart in Sweden. The Swedish *Tipstjänst* was a peculiar company. It was officially privately owned but the Swedish

state was in firm control. The proceeds of *Tipstjänst* were allocated to good causes. Its legitimacy faced paradoxical problems related to profit-making and preventing gambling problems (Norberg, 2004). The same can be said about RAY and Veikkaus. What are the limits of profit-seeking when the product offered can cause harm to individual gamblers? How could the profits that are said to benefit society as a whole be seen to originate from individual gamblers in an acceptable way?

One of the strategies was advertising. Differing from many other countries, in Finland gambling advertising has never been prohibited. *Tipstjänst*, for example, decided not to engage in advertising after the initial phase of promoting itself to the public (Norberg, 2004). In Finland the leading theme for advertising of both RAY and Veikkaus has always been to demonstrate how gambling benefits the whole of society. As there had been slot machines for over a decade before the founding of RAY, the association was not in need of the same kind of introductory advertising campaign as Veikkaus was. The advertising efforts of Veikkaus were quite innovative from the start. Besides ordinary newspaper advertisements and posters, Veikkaus was also actively feeding information on sportsbetting and on football pool to the radio, and even sponsored a foxtrot piece called "Let's All Start to Do the Pools." For some time, leading newspapers in Helsinki even gave Veikkaus free advertising space. However, after the newspapers discovered that the new company was prospering, these newspapers decided that free advertising would be reduced if Veikkaus would not increase the proportion of chargeable advertising. Veikkaus responded as requested, but the amount of free publicity remained rather high (Ylikangas, 1990). It is unclear why the newspapers were willing to promote Veikkaus in such a way. Perhaps the newspapers wanted to participate in the new vogue by offering their readers information on football pool, or maybe the leaders of Veikkaus and journalists and publishers wanted to maintain good relations with each other.

It is interesting to note the duality of arguments in the advertising of Veikkaus. On the one hand the football pool were presented as the task of an (male) expert. On the other hand, Veikkaus published leaflets assuring that anyone could participate in the pools. Besides the fact that Veikkaus's management mainly consisted of former sportsmen, this duality was probably also related to the fact that a pure game of chance would have encountered more moral objection than a game aimed at 'experts.'

It is of course impossible to assess the impact of Veikkaus's advertising on the Finns, but successful advertising might have played a role in making the participation in football pool both socially and morally more acceptable. It is also conceivable that the liberal view on gambling advertising represented permissive attitudes towards this form of gambling. A report for Veikkaus in 1947 by a research agency, seven years after the establishment of Veikkaus, covers the Finns' perceptions of and experiences with the football pool.<sup>8</sup> The report consists of a fieldwork concerning 'ordinary' people and of interviews with professional experts, such as sports journalists and leaders of sports organizations. Altogether the opinions of 1,168 people were included in the report. According to the report, 73 percent knew how to participate in the pools. The figure among men was 82 percent and among women 64 percent. The number of people who had actually taken part in the football pool was 55 percent (men 65 percent and women 46 percent). The most eager pool enthusiasts were Finns aged under 30. The interviewed were also asked for their incentives to participate in the pools. The most enticing incentive for both women and men was the chance to win money. The second was the excitement of gambling, and third the good causes that benefit from the proceeds of the pool. Imitating other people was also mentioned as a reason for taking part in the pools. Only 6 percent of the respondents said that they considered the football pool nonsense, but the report does not say to which extent these people rejected the pools because of religious or moral reasons.

RAY was also required to take action in order to legitimize its operation in the eyes of the Finnish people. In the newspapers throughout the 1930s there had been outcries and reports of youngsters and poor working-class people losing all of their money in slot machines. In 1939 RAY sought to bridle this negative writing, according to Kortelainen (1988), by controlling the use of slot machines in pubs and restaurants and by intervening when stricter supervision was needed. Another explanation for the fading of negative publicity might have been the close relationship between the ruling elite and the gambling monopolies, which had been clear from the beginning and could have also influenced the Finnish media. The protectiveness concerning young people and the working class was rather paternalistic and comparable to the strict alcohol policy that in the 1940s led to the introduction of a personal liquor card and a customer control policy called 'buyer surveillance' (Häikiö, 2007). During the course of the 1950s and 1960s these paternalistic rules became less strict as the slot machines were also allowed to be placed in second-class cafés and restaurants and also in the countryside.

The close connection between the Finnish state and the two gambling monopolies had a big influence on the business cultures of Veikkaus and RAY. The relations between these companies and the state have never been easy. Even though Veikkaus was a private stock company it never paid out any dividends to its shareholders and could not freely decide on its investments. The company was always under state supervision and over the years the state's grip on the company became tighter (Ylikangas, 1990). The struggle of Veikkaus to ensure that its profit funds were to be used solely for the purpose of promoting sports illustrates the relation. Veikkaus was able to defend its view until the 1952 Summer Olympics in Helsinki, but after the Olympics Veikkaus succumbed to state pressures. It was decreed in 1953 that 70 percent of Veikkaus's profits were to be assigned to sports, and 30 percent to science and art. Later this ratio was changed many times. During the 1970s, after the breakthrough of lotto, the state's pressure on Veikkaus was at its toughest. In 1976 Veikkaus finally became a stateowned enterprise (Ylikangas, 1990).

## CONCLUSION

The state's need for money in the form of gambling revenues is usually considered the reason for founding RAY and especially Veikkaus. The same could be said about Alko, which was established in 1932 during the Great Depression and ended the Finnish prohibition. It is most likely that financial motives partly explain the founding of gambling monopolies. However, for the Finnish gambling market I would also like to stress the urge to remove 'foreign' influences. By foreign influences I mean the involvement of both foreign and private entrepreneurs in the operation of slot machines and the urge to prevent Finnish gamblers from supporting athletes of the 'archenemy' Sweden by participating in Swedish football pool. It is difficult to overestimate the popularity and importance of sports in the nationbuilding of Finland in the 1920s and 1930s. This addressing of foreign influences could be called an instance of 'economic nationalism'; in this case Finnish money only benefits other Finns and not the sports-adversary Sweden. The same tendency for economic nationalism could already be observed in 1926 in the reasoning for the legalization of money lotteries. In that case it was also said that the founding of a monopoly controlling all the slot machines in Finland was needed in order to guarantee that the profits gained from the players would benefit the whole society and not just individual businessmen. The idea of a common good is applied here. One probably thought that the end justifies the means, that the 'dirty' money from gambling could be cleansed by directing it to respectable charities.

Husz (2004) discovered similar traits of economic nationalism concerning Swedish lotteries. Since the mid-nineteenth century the lotteries had been outlawed in Sweden, and in 1881 the advertising of foreign lotteries was banned. However, since 1897 lotteries had occasionally operated with special royal permission. Despite the ban on foreign lottery advertising Swedes, just like Finns, enjoyed playing foreign lotteries, especially Danish and German state lotteries. This gambling was said to have reached such proportions that some politicians suggested a Swedish state lottery be set up in order to keep money spent on foreign lotteries in Sweden. Even though the number of regular ticket-holders in foreign lotteries and the amount of money spent were unknown, both were assumed to be significant. Husz (2002, p. 73) also states that "there is a tendency in some academic literature to explain the introduction of state lotteries in different countries mainly in terms of an ambition to control sinful behavior or by reference to the state's fiscal needs." She herself does not accept this explanation but stresses the importance of understanding the discussion on the lottery as a complex context of negotiations between morality and interests both at an individual and a collective level. Husz also addresses the changing role of lotteries in the first part of the twentieth century in Sweden as the perception of lotteries shifted from being something out-of-date and irrational, and not befitting the image of a modern and rational society, into 'hedonistic' lotteries that could be regarded

as a self-evident part of modern consumer culture (Husz, 2004). It should be noted that the founding of *Tipstjänst* was also hastened when in 1932 it became obvious that the foreign pools were growing increasingly popular and resulted in the loss of large sums of money abroad (Norberg, 2004).

Following Husz, I would like to point out that the notion of economic nationalism is not just about increasing fiscal revenues, but also about nationbuilding, of lifting Finland to a higher status among Western nations. The founding of Finnish gambling monopolies can in addition be seen as a sign of the state's interest to guarantee the financing of (new) social and cultural institutions such as sports associations and welfare organizations.

It seems that the actual founding of both RAY and Veikkaus was achieved by a few very influential individuals related to powerful organizations who were able to influence government authorities. In this respect it is an interesting fact that it was only in 1965 that the first law on gambling was enacted. Until that time decrees had apparently sufficed. Was the Finnish Parliament deliberately excluded from having a say in the founding of gambling monopolies? Thus far no definite answer can be given to this question.

I consider the founding of Veikkaus and RAY to be an essential part of the cultural reevaluation of gambling in the Finnish society that began in the early twentieth century. In the 1970s this cultural and moral reevaluation of gambling culminated as the participation in various gambling games increasingly became a part of everyday life. Many factors influenced this reevaluation process, among others the advertising by the gambling industry, the increased supply of gambling outlets, improved living standards, the radical changes in Finns' lifestyles, and a more equal relationship between women and men and between social classes. To the Finnish situation a similar logic applies as the one outlined by Kingma (1996) for the history of Dutch gambling. Kingma (1996, p. 211) stresses that the state did not withdraw from the gambling field but that government authority has increasingly been directed "towards the supervision of legal facilities and the protection of players, rather than to the repression of gambling." In his history of bookmaking in England, Dixon (1991) characterized this development as a move "from prohibition to regulation." By turning gambling into a means to serve a public end, RAY and Veikkaus have played a crucial role in the modernization and democratization of gambling in Finland. Over the years, as a state stooge, these organizations have been quite successful in taming Finnish gambling and turning it into a respectable part of a normal Finnish way of life.

#### ACKNOWLEDGMENTS

I would like to thank Mr. Juha-Pekka Valkama for his helpful and insight-ful comments.

# NOTES

- 1. The Finnish words 'veikkaus' and 'tippaus' can both be translated with 'pool.'
- Kansallisarkisto, Sisäasiainministeriön raha-arpajaisia koskevia asiakirjoja 1926–1967 He: 4 (The Finnish National Archives: Ministry of the Interior's documents concerning money lotteries).
- 3. *Suomen Hippos* consists of about 130 member associations. It administers the whole horse breeding and trotting industry as well as keeps register and studbook for all the horses bred in Finland.
- 4. Urho Kekkonen acted as the President of the Republic of Finland infor four decades from March 1, 1956, to January 27, 1982.
- 5. Puolitoista miljardia viidessä vuodessa! Ruotsin urheiluarvauskilpailujen johtajat Helsingissä [1.5 milliard in five years! The leaders of the Swedish sports "guessing games" in Helsinki]. *Helsingin Sanomat*, June 29, 1940.
- 6. Arpajaiskomitean mietintö. Komiteanmietintö [A memorandum of state lottery committee] 1973:138.
- 7. Puolitoista miljardia viidessä vuodessa! Ruotsin urheiluarvauskilpailujen johtajat Helsingissä. *Helsingin Sanomat*, June 29, 1940
- 8. Veikkauksen arkisto, Vantaa, Di:1 1947–1952, Psyko-Työ Oy N:o 16/47. Tutkimus suhtautumisesta veikkaukseen. [Veikkaus' Archive. A research report on the attitudes towards the football pool.] One weakness of the research is that only people living in localities where it was possible to participate in the pools were interviewed.

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# 2 Into the Zone

# Innovating in the Australian Poker Machine Industry

# Richard Woolley and Charles Livingstone

#### INTRODUCTION

In their simplest conceptualization, markets for consumption goods are viewed as a straightforward matching of demand by supply. Neoclassical economics modeled this matching as tending toward equilibrium, in which wellinformed and rational actors seek to maximize their well-being by selecting amongst items for purchase, thereby steering the purposes for which productive resources are utilized. This model poses actors as homogenous and market contexts as relatively timeless and stable. However, the problems with such a model are now well understood. Markets are not synchronic states; they are dynamic and interactive processes. Actors are not homogenous, they are heterogenous and differently motivated and informed. Information is asymmetrically distributed. Monopolistic or oligopolistic market conditions are common. Also, demand is not wholly endogenous to consumers. It is frequently created and stimulated by a range of technologies.

Yet, in thinking about gambling 'cultures,' there is a tendency to describe gambling activity as emerging from localized social practices. For example, horse race betting culture can be understood as arising from the activity of horses competing in races and as therefore producing an array of economic exchanges and relationships that are 'embedded' (Granovetter, 1985) in local social arrangements. However, it is also true to say that the globalized commercial race betting industry that sells a range of commoditized betting products is now somewhat 'disembedded' (Giddens, 1991) from local cultures of horse racing. For example, off-course totalizator agencies in Australia sell 'quickpick' bets in which horse selections are generated for the customer by computer. The selling of such a product removes the need for knowledge or decision-making on the part of the consumer, separating them from actual racing activity not just spatially but also cognitively. This effectively expands the range of those consuming horse race gambling, through simplification of the form of, and the interaction associated with, the bet commodity. Much race betting now takes place online and does not involve attending an off-course betting shop, much less a racetrack or for that matter even visiting the country where the races take place.

Betting transactions have hence become less localized and more mobile both socially and spatially.

Gambling consumption markets are thus not simply extensions of localized social and economic activity. Rather, as we will show in this chapter, some contemporary gambling forms can be more profitably viewed from quite a different perspective, as complex sets of technical and commercial arrangements that reflexively institute specific spaces and 'cultures' of consumption. The specific gambling sector that we concentrate on is poker machine or Electronic Gaming Machine (EGM) gambling in Australian hotel, pub, and club venues. In this chapter we describe the industrial dynamics that drive the EGM gambling market, arguing that the 'consumption cultures' of poker machine gambling are translations of this process that share a common basis in their material and socio-symbolic institution.

The instituting of consumption opportunities for goods such as EGM gambling requires coordinated legal, political, and technical strategies, involving a coalition of cooperative government and corporate actors (Livingstone & Woolley, 2007). Once political will and enabling legislation are instituted, it is the precise articulation of material and socio-symbolic technologies—games, venues, marketing—that defines supply-side capacities to stage and sell the commodity. The instituting of such complex socio-technical arrangements as the basis for market action has become one theme of recent developments in economic sociology (Barry & Slater, 2002; Biggart, 2007; Fourcade, 2007). Studies focused on the socio-technical institution of consumption markets are also emerging (Poon, 2007).

As Barry and Slater (2002, p. 178) describe, this kind of thinking about markets and economic activity has emerged from the background of social studies of science and technology. Such studies are finely tuned to the importance of technological artifacts and the 'specificity of particular socio-technical arrangements.' The outcome of the process of 'translation' constitutes a particular "structuring of relations" (Barry, 2006, p. 241). 'Translation' is here understood as referring to "all the negotiations, intrigues, calculations, acts of persuasion and violence thanks to which an actor or force takes, or causes to be conferred on itself, authority to speak or act on behalf of another actor or force" (Callon & Latour, 1981, p. 279, cited in Barry & Slater, 2002, p. 178). Putting the socio-technical arrangements constituting the EGM gambling industry at the center of analysis and paying attention to the dynamics of their transformation presents a new methodological approach for consideration of EGM gambling consumption.

The properties and qualities of the EGM commodity form are very important for this approach. We argue, following Thrift (2006), that the staging for sale and circulation of the EGM commodity 'resonates' in multiple sensory registers simultaneously, increasing the 'stickiness' of the commodity (Thrift, 2006, p. 288). As Thrift argues, "commodities must appeal across all the senses, reminding us that the original meaning of the word 'aesthetics' was the study of the senses. Sensory design and marketing have

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become key" (Thrift, 2006, p. 288). Commodities are thus always being 'worked on' and are continually evolving to better attract the attention of consumers and subsequently to retain their commitment. The interactivity that emerges between commercial systems and consumers can be understood as affective, reflexive, and involving.

Poker machines are ubiquitous across the social landscape of Australian club and hotel leisure venues. The EGM commodity is one that can be delivered efficiently on a mass scale and scope, whilst having an appeal that is indeed 'sticky' at the individual level. It is our argument that both the reach of the commercial system that stages the sale of the EGM commodity and the specific qualities of that commodity and its mode of delivery are vital to understand why so many consumers 'attach' themselves to the seemingly banal activity of gambling on poker machines.

However, as we argue in the second half of this chapter, a deeper theoretical engagement with the activity of consumption in contemporary society is required to adequately address both the instituted form and the magnitude and durability of some consumers' commitments to EGM gambling. This argument uses the work of Cornelius Castoriadis (1997a, 1997b, 1994, 1993) as the basis for understanding consumption as an integral part of the labor of instituting modern capitalist society, not least as a meaningful material and symbolic social-historical formation. Following Castoriadis, we argue that consumption has been instituted as a vocation in the contemporary production of social and economic life. This vocation increasingly appears to be the key participative role of individuals in what Bauman (1998) calls 'consumer society.' We apply this notion to the activity of EGM gambling, suggesting that in their interaction with the EGM commercial system, individual EGM gamblers are engaged in meaning-constructing behavior in which they are vocationally instituted as consumers. At the level of the individual, we argue that the properties of the EGM commodity form provide an 'open' and 'low resistance' space for this meaning creating consumer activity.

The chapter is ambitious in that it attempts to bring together arguments from quite distinct disciplinary backgrounds in seeking to construct a broad but, we believe, integrated argument about the consumption of EGM gambling, which takes into account both the specific socio-technical instituting of a powerful commercial system and a general theory of the late-modern institution of consumption as vocation. It is in the interaction between such commercial systems and consumer agencies that the material and symbolic spaces and cultures of consumption emerge. It is by paying attention to both the qualities and arrangements of material products, devices, and commodities and the relationship of consumption to meaningful subjectivity in late-modern capitalist societies, we therefore argue, that we can avoid the reductionism and one-sidedness of overly economistic or culturalistic explanations of the contemporary commercial phenomenon that is the gambling industry.

#### PARAMETERS OF EGM GAMBLING IN AUSTRALIA

The most marked effect of the liberalization of commercial gambling markets in Australia since the early 1990s has been growth in consumption of poker machine gambling in club and hotel leisure venues. In Australia, the original poker machine venues were clubs in the state of New South Wales (NSW), where 'pokies,' as poker machines are colloquially known, have been lawfully operated since 1956. However, poker machine gambling has now been introduced to clubs and hotels in all Australian states and territories, with the exception of Western Australia.<sup>1</sup> Each of the six Australian states and two territories has its own legislative and regulatory arrangements for EGM gambling. In all Australian jurisdictions, EGMs are connected to some form of centralized monitoring system, with the system in Victoria also including a control element by which certain parameters of games can be modified.

Total consumption, defined as expenditure or losses, of gambling products in Australia was 16,910 million AU-dollar in 2004, equivalent to 3 percent of household disposable income (Office of Economic and Statistical Research [OESR], 2006). The value of real consumption of EGM gambling in hotels and club venues in Australia grew from 2,054 million AU-dollar nationally in 1990, when the industry only existed in the registered clubs of NSW and the Australian Capital Territory (ACT), to 10,095 million AU-dollar in 2005 (OESR, 2006). The club and hotel EGM gambling sector has been the most rapidly growing part of the expanding commercial gambling industry over the past decade and half, comprising 60 percent of total gambling expenditure in Australia by 2005 (OESR, 2006).<sup>2</sup> Average EGM consumption per adult was 655 AU-dollar out of total adult per capita gambling consumption of 1,097 AU-dollar. New markets for gambling machine consumption have grown particularly rapidly. For example, the introduction of EGMs to hotels and clubs in the state of Victoria only occurred in 1992, yet by 2005 expenditure had reached 2,393 million AUdollar or an average 624 AU-dollar per capita. The mature market of NSW, where more than 100,000 EGMs are located, had the highest adult per capita consumption of 953 AU-dollar in 2005.

Cultures of EGM gambling consumption have been found to have distinctive characteristics, for example, amongst young working-class men (Lynch, 1990) and older women visiting suburban club venues (Simpson-Young, 2006). At an aggregate level, consumption of EGM gambling is asymmetrically distributed spatially and socially. The distribution of EGMs in several states has been shown to follow a regressive socioeconomic gradient (Delfabbro, 2002; Livingstone, 2001; Livingstone, 2005; Marshall & Baker, 2002; South Australian Centre for Economic Studies [SACES], 2005), with a statistically significant concentration of EGMs located in the most socioeconomically disadvantaged areas and contributing disproportionately to gambling revenue, measured on a per capita basis. The only

national study of problem gambling prevalence estimated 2.1 percent of the adult population to be problem gamblers (Productivity Commission [PC], 1999). However, only around one-third of the adult population uses EGMs at all and the incidence of problem gambling rises with frequency of participation (Banks, 2002). For example, data collected in Victoria in 2003 indicated that of the 8.5 percent of EGM gamblers who used EGMs at least weekly, almost 30 percent were problem gamblers (Centre for Gambling Research ANU [CGR], 2004, pp. 53, 93). For around 85 percent of those who experience problems with gambling, EGM gambling is the principal gambling mode (CGR, 2004). The proportion of EGM revenue that is derived from problem gamblers was calculated as 42 percent of total net revenue nationally (PC, 1999, Appendix P, P16). Given that problem EGM gamblers are likely to gamble far more often and for longer periods than more casual users (Australian Institute for Primary Care [AIPC], 2006; Caraniche Pty Ltd., 2005; CGR, 2004; PC, 1999), this asymmetry in expenditure is less surprising, although its extent remains remarkable.

# POKER MACHINE TECHNOLOGY AND THE DYNAMIC OF INNOVATION

The industrial mode of production is continually transformed by progress in science, technology, materials, systems, and skills. Radical and evolutionary changes are collected under the term *innovation*. When we talk of innovation in this chapter we are referring to the ceaseless dynamic of transformation that drives changes in the artifacts and commodities produced by the industrial system. The contemporary poker machine can be understood as an industrial artifact, a device for staging the sale of a particular good or commodity—the 'bet.' As Akrich has described:

[M]achines and devices are obviously composite, heterogenous, and physically localized. Although they point to an end, a use for which they have been conceived, they also form part of a long chain of people, products, tools, machines, money, and so forth . . . even the most mundane objects appear to be the product of a diverse set of forces. (Akrich, 1992, p. 205)

The poker machine and the contemporary EGM device can be understood as the outcome of complex processes of 'heterogenous engineering' (Law, 1994), involving financial investment, knowledge inputs, research and development (R&D), design, testing, and manufacture. The EGM remains subject to continuing processes of review, redesign, modification, and refinement, characterizing the 'incremental innovation' that cumulatively results in major gains in both industrial production processes but also in product and service delivery (von Hippel, 1988; Rosenberg, 1994). As industrial artifacts, EGMs are packaged and marketed to gambling operators in a range of ways designed to differentiate and entice, as manufacturers compete for shares of lucrative global markets for poker machine sales. Evaluation of market available alternatives is based on their financial performance (gambler losses) in the retail (consumer) market. The paramount innovation goal is the achievement of relatively high net gambling revenue (NGR) per machine. The design and manufacture of EGMs is a globalized industry, selling into relatively mature markets in North America, Japan, and Australia/New Zealand, and expanding markets in places like Russia, South Africa, Asia, and the UK (Aristocrat Pty Ltd., 2007; International Game Technology [IGT], 2007). Although the specific device types produced for each domestic market are to some degree quite distinct—there are differences between American 'slots,' Australian-style EGMs, and *pachislot* devices in Japan, for example—manufacturers from different continents seek shares of EGM sales overseas.

Investment by major manufacturers such as Aristocrat (Australia), IGT (United States), and Konami (Japan) has been central to the development of contemporary EGMs. IGT earned revenue of 2,500 million US dollars in 2006 and reported spending 189 million US dollars on R&D (IGT, 2007). Aristocrat Pty Ltd., the leading Australian gambling machine manufacturer, reported increasing its R&D expenditure by 45 percent to 95 million AU-dollar in 2006 (Aristocrat Pty Ltd., 2007, p. 10), and has nominated an annual R&D expenditure target of 5 percent of revenue over the medium term (Aristocrat Pty Ltd., 2006, p. 5). Aristocrat employs several hundred technical specialists in R&D laboratories in Australia, the United States, and Japan, including mathematicians, computer software engineers, and computer graphic artists. According to one index of the performance of Australian companies in R&D and innovation, Aristocrat ranked fourth in total R&D expenditure and second in the number of patent applications in 2004 (Van Dyke, 2005). This placed Aristocrat as number 742 on a ranking of Global Innovation 1000 companies (Booz Allen Hamilton, 2007).

Poker machine manufacturers have developed substantial intellectual property through this investment in R&D as represented by their patent libraries. An example of the way industrial innovation, intellectual property regimes, and market performance shape consumption markets is Australian gambling manufacturer Aristocrat's US patent for a multiline gambling machine.<sup>3</sup>

Many various strategies have been tried in the past to make games more enticing to players, and these strategies are often aimed at either increasing the maximum prize payable on a machine or creating at least the perception of more winning opportunities. The present invention falls into the latter category. For quite a few years, it has been possible to bet on more than one pay line of a slot machine simultaneously.

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However, this feature has been restricted by the number of pay lines that could be achieved on the display format commonly used in slot machine . . . The present invention provides an arrangement whereby the number of pay lines provided on a slot machine, particularly a machine with 3x5 display, can be increased without changing the display format. (US Patent Office, 2000, pp. 1, 2)

This patent underpins the technology marketed by Aristocrat as Reel-Power<sup>™</sup>, which enables gamblers to simultaneously select combinations of stops to gamble on virtual reels that are outside the scope provided by all diagonal or horizontal combinations. The effect of the invention was to raise the number of 'ways' or 'paylane' combinations that could be gambled to 243.

Gamblers are frequently keen to take up these options to cover, or insure against, a 'near miss' or 'near win' (AIPC, 2006; Côté, Caron, Aubert, Descrochers, & Ladouceur, 2003). This raises the relative NGR of gambling machines featuring the technology over time. Such an outcome, when verified in performance data of actual gambling activity, constitutes a significant selling point for the manufacturer competing for market share. Protection of this advantage through the enforcement of IP protection is thus paramount. In fact, Aristocrat has sought to enforce the patent on its ReelPower<sup>™</sup> technology against its largest global competitor, filing one patent infringement lawsuit against IGT in 2005 and a second separate suit in 2006 (IGT, 2007).

Competition between gambling machine manufacturers for market share and the contest to develop market leading games and technologies thus drives innovation and industrial variation (Marshall, 1890/1961). Variation can be clearly seen in the product differentiation between different manufacturers' devices—in the details of presentation style, sound, graphics, game features, and prize and pay-table formats amongst other key characteristics. The 'heterogenous engineering' of gambling machines elements increasingly shows the influence of the global distribution of R&D activities. Aristocrat (2006) conducts R&D in Australia, Japan, and the United States, for example, transferring aspects of game software technologies, display graphics, and box designs across markets and setting up global assembly plants to service a range of different locations.

Innovation is thus a complex dynamic, which transforms the institution of social-historical formations generally and consumption markets in their specificity. The innovation dynamic modifies the fabrication process and the properties of the EGM artifact. This in turn modifies the commercial opportunities available within and, importantly, the governmental capabilities proper to, the consumption market that is instituted. The following sections describe five aspects of this ongoing process of innovation and translation that shape the institution of EGM gambling consumption markets.

## From Machines to Devices

The basic element of the EGM gambling consumption market is the game and its box. The scale of the market cannot be understood without considering the technological development of this basic element. The industrial history of the EGM has been shaped by platform technologies, particularly computerized information technologies (CIT), that have emerged in the second half of the twentieth century. In essence, EGMs have been transformed from simple stand-alone 'machines' to complex communicative and calculative 'devices' that are usually configured as nodes within a network.

The physical nature of mechanical gambling machine reels placed material limits on the numbers of different 'stops' or symbols that the machine could feature. Most early gambling machines had 22 stops on each of three reels, meaning that gamblers could, with relative ease, simply calculate the odds of winning the top prize ( $22 \times 22 \times 22 = 10,648$ , or odds of 10,648 to 1). This in turn limited the size of prizes that could be offered, with the relatively good odds of spinning up the top prize meaning that operators had to keep the size of prizes relatively low.

Contemporary CIT-based EGMs, of the type that comprise virtually the entire Australian market, are hybrid devices, a composite of computer and video technologies, integrated alongside remnant mechanical components such as the coinbox. Contemporary devices generate through their shape a connection with the 'folk' industry feel of the original mechanical pokies. However, the core technology is no longer an easily comprehensible set of mechanical reels that are physically manipulated or 'spun' by the gambler. The core technologies are instead CIT-based: random number generators (RNGs); a set of algorithms governing responses to the RNG held on the device's memory chip (Eprom—Erasable programmable read-only memory chip); a central processing unit (CPU); game software (code); and a video display unit.

The central operation of the EGM is the selection of a series of random numbers by the RNG. The RNGs generate numbers constantly whenever the machine is switched on, with a frequency measured in nanoseconds, utilizing pulses from processes within the computer itself. When the play button is pushed the closest pulse for each 'reel' (there are usually five) is translated into a number, which is acquired by the probability table. This table contains a predetermined range of numbers that assign a specific symbol to a reel. The symbols corresponding to the numbers generated are then displayed on virtual reels on the device's video display screen.

Unlike mechanical poker machines, each of the five virtual reels in CITbased devices can have between 20 and 60 different 'stops,' and EGMs have reels of different 'length' on the same device. Whilst a gambler maintains a constant bet size and number of lines being gambled on, the symbols on these reels will remain in the same order. However, once a gambler acts to change this gambling strategy, for example, choosing to increase the number of lines being bet, the order of symbols can change and a different pay-table configuration can become operative. The approximate number of different possible combinations that can be mapped onto the virtual reel screen display is 80 million, with a requirement that the probability of attaining each winning combination in the base game is not less than one in seven million (National Standard Working Party [NSWP], 2004, s.3.9.16b). These devices are a long way from the mechanical pokies they nostalgically invoke via their often quaint, folksy design. They are carefully constructed hybrids of sophisticated technology within a *présentement* of folksy familiarity—like a 1960s Volkswagen equipped with a Ferrari motor.

A number of key changes enabled by the shift to CIT-based technologies help to explain the rapid and sustained growth in Australian EGM gambling consumption. First, the exponential expansion in the combinations of symbols that can be produced on the virtual reels means that more ways of winning and a greater range of prizes can be included in the game. Only through very sustained interaction over many years could an individual gambler exhaust the possible outcomes available, thus increasing the level of interest of gamblers. Secondly, virtual reels, which typically present five reels and three lines of symbols on their screen, provide the potential to gamble on a greater number of symbol combinations, as represented by horizontal, diagonal, vertical, and combined 'lines.' Gamblers can choose between gambling on one line or up to 243 'ways' on some EGMs-at multiples of the base credit value of the device. Thirdly, CIT-based EGMs can incorporate features that were not possible on mechanical devices. For example, many EGMs generate 'free spin' features, which when activated by the appearance of particular symbols, are executed automatically and successively by the EGM device, whilst the gambler is left free to observe, have a drink, or chat to friends. Other features include special graphics and 'games within games' that when triggered provide a different experience or diversion from the base game. Such features often include increased odds for any win that occurs within the feature. Fourth, the shift to digital media (CIT) enables individual EGMs to be communicative devices that can be integrated into network arrangements (Austrin & Curtis, 2004). This enables the gamblers on particular devices to participate in in-venue or wider area network (WAN) jackpots. Participating machines forward a percentage of stakes to the wider pool, which can be won by gamblers on any participating machine. This has the effect of increasing the size of available prize pools, whilst EGM gamblers who choose to gamble on jackpot-linked devices will often be participating in multiple simultaneous jackpots.

The EGM commodity has also been altered in its form. The poker machine bet—the operation of the RNG in selecting a random series of numbers to be displayed as symbols—is largely dematerialized. Virtually instantaneous repetition and circulation accelerates consumption. In most Australian jurisdictions limitations are placed on the speed of consumption for reasons related to 'responsible gambling' and 'harm minimization' measures. Limitations on 'spin speed' or 'game cycle' are usually at the level of 3.5 to 5 seconds per bet. At this rate it is comfortably possible to maintain a rate of 10 to 12 bets per minute. Within this compressed time frame, bets are made and won or lost, jackpot contributions are calculated and transmitted, operations and monitoring signals are sent to venue controllers, WANs, and the whole of network control and monitoring systems. The initiation, calculation, and circulation of EGM transactions and the redistribution of gamblers' stakes thus operates at a vastly accelerated rate in comparison to past technological platforms, transforming the intensity of the gambling consumption experience.

# Government Moves 'Inside' the Commercial System

Club and hotel poker machines in all Australian states and territories are connected to centralized monitoring and control systems (CMCS), networks that facilitate both commercial and governmental goals. Most CMCSs monitor in real time the activity at each of its nodes, through microsecond pulses that are relayed via venue controllers in each gambling location. Key operational parameter values, such as credit value or maximum bet, can be altered remotely on some systems. Turnover and expenditure are monitored in real time and risk-management paradigms are constructed to benchmark the 'normal' operation of the system, casting unusual events such as big wins or suspected corruption, including money laundering, into relief and potential regulatory scrutiny (AIPC, 2006). At the same time any attempt to interfere physically with the operations of a device or its components is relayed to the CMCS. Individual devices can be taken off-line via the CMCS, subsequent to testing of the integrity of logic boxes or other key technical components. Criminal activity in relation to gambling machine networks itself becomes more likely to be CIT-based (McMullan & Perrier, 2003, 2007).

The transformation from discrete poker machine to networked communicative device has thus altered the conditions of possibility for the institution of technicized EGM gambling consumption markets. As Barry contends (2002, p. 279), such technicized material arrangements are intimately bound up in the activities of governments "concerned with fostering a culture of regulation, monitoring, measurement, auditing, testing and compliance." The standardizing of material technical arrangements for EGM gambling technology simultaneously shapes the formation of spaces and cultures of consumption and the technical, systemic means of their government. At the same time, this ethicizing reinforces consumer perceptions of the probity and fairness of commercial gambling, providing a separation from the historical image of gambling as subject to corrupt practice and criminal influence.

# Calculation and Redistribution

Calculation is a fundamental component of modern industrial rationalities. A key to understanding the formatting of EGM gambling is to recognize that EGMs are complex calculative devices that operate to redistribute gamblers' stakes in a very precise, calibrated, and 'scientific' way. As Reith (1999, p. 1) has described, gambling in its Western industrialized and commercialized forms is an activity "strictly demarcated from the everyday world around it and within which chance is deliberately courted as a mechanism which governs a redistribution of wealth among players and a commercial interest or 'house.'" The governing operation of an EGM is the redistribution of gamblers' stakes as 'payouts' (prizes or wins) and losses. The rate of distribution of wins is known as the return to player (RTP). The minimum RTP allowable in most Australian jurisdictions and venue types is 85 percent. Conformity to this governing operation is possible only over a long duration. Typically, an individual EGM will perform to within 1 percent of the specified RTP after approximately one million operations. In the shorter run, the performance of a device will be statistically much more volatile, meaning that outcomes are much less likely to conform to the aggregate redistribution of around 15 percent of gamblers' stakes to the 'house' in the course of a unique gambling session.

The precise configuration of the return of 85 percent of gamblers' aggregate stake in the form of wins is governed by each device's 'pay-table.' The pay-table allocates a proportion of payouts to different prize levels. When the RNG generates numbers that correspond with a configuration of symbols that are a winning combination, the reward assigned to that combination in the pay-table is paid. The pay-table is a basic pyramid, with the most common prizes and the largest proportion of winnings being returned to gamblers as smaller amounts at the bottom end. Bigger prizes are awarded for only a small number of the up to 80 million possible combinations of symbols on the virtual reels. In general, the frequency of the return of a particular prize is thus the inverse of its size.

The return of prizes to gamblers in this way is not the product of convention or of casual or *ad hoc* decisions about arrangements. Rather, the frequency and scale of prizes returned to gamblers has an irreducibly scientific basis. This scientific basis lies in fundamental research by B. F. Skinner (1953) in the behavioral sciences, particularly the principles that structure his theory of operant conditioning. Skinner found that changes to antecedent events, particularly rewards or punishments, that occurred subsequent to a particular action could produce learning and after repeated trials could modify behavior. The animal as well as human subjects of his experiments were found to engage in 'successive approximations' across repetitive trials, becoming more likely over time to engage in behavior that preceded presentation of a reward. The more frequently a reward was received for a particular action the greater chance the behavior would be produced (Ferster & Skinner, 1957).

The frequency and size of prizes won in the course of redistributing the stakes of EGM gamblers are controlled through 'schedules,' the operation of which are derived directly from Skinner's research, particularly through

a variant of the variable ratio schedule called a random ratio (RR) schedule (Delfabbro & LeCouteur, 2003; Dickerson, Hinchy, Legg-England, & Fabre, 1992). The process of formatting the redistribution of gamblers' stakes by governing the frequency and magnitude of payouts via RR schedules also reconfigures modes of gambling consumption to be more likely to persist through periods without reward and to involve more rapid play (Dickerson et al., 1992). The RTP ratio can be calibrated at an appropriate level to sustain and potentially prolong the duration of individual gambling sessions. As Skinner summarized this balance, "too high a ratio yields a large mean profit per play but a loss of patronage. Too low a ratio yields too small a profit in spite of a ready patronage" (Skinner, 1953, p. 397). The redistribution of gamblers' stakes as reinforcements (wins or prizes) to gamblers is thus very carefully crafted. The frequency and magnitude of the reinforcements provided are fundamental to the persistence of gamblers and therefore to aggregate consumption. The 'science' of calculation thus seeks the optimal distribution of frequency and magnitude of rewards in redistributing gamblers' stakes through wins and losses. Skinner himself thought of poker machines as an exemplary application of his work (see oncamera interview with Skinner in Zimbardo, 1989), underlining the relationship between diverse fields of fundamental knowledge production and industrial innovation in the heterogenous engineering of the EGM device.

# An Economy of Qualities

Ongoing innovation in poker machines ensures that, from the consumer perspective, there are always new options to consider and choices to be made. A device replacement cycle operates across each EGM gambling marketplace, being the average length of time that a game remains in operation before being supplanted by new products. Whilst there are many factors influencing the duration of the replacement cycle, many of which are market specific-for example, regulation and operator confidence, investment in R&D and new product design ensures new product offerings continue to enter retail markets, albeit at different rates. Innovation thus 'requalifies' the material product offering as a different, new, or exciting good (Callon, Méadel, & Rabeharisoa, 2002). Within any gambling room a 'product mix' or variety of EGMs with differing qualities exists. Industrial variation thus structures an 'economy of qualities' (Callon et al., 2002) offered to consumers as an array of choices. As Callon et al. (2002, p. 205) argue, "calculations do not simply concern prices and profits. They are mainly about products and their qualities." The economy of qualities of poker machine gambling is presented in the collective product offerings on display within any particular gambling room, among which consumers discern.

The economy of qualities that exists in a gambling room in a typical Australian pub or club includes a range of different game themes, credit values ranging from one cent to one dollar, jackpot opportunities, volatility levels, graphic styles, etc. A principle of difference also exists in relation to variation in the core technologies that frame EGM gambling consumption. This includes variation in 'structural characteristics' (Griffiths, 1993) such as credit values, numbers of lines that can be gambled, and the reward or reinforcement schedules that govern the distribution of prizes. Table 2.1 summarizes various characteristics of four randomly chosen EGMs observed by the authors in a Melbourne hotel gambling room.<sup>4</sup>

As Table 2.1 illustrates, the calibrations of EGM devices can vary quite markedly. Taking Device D as a point of contrast, it is evident that this device takes, on average, three times as many operations as Device B to pay out, and has much higher odds of winning either the biggest or smallest prize than all the devices featured. However, Device D also redistributes less of gamblers' stakes to the 'house' in the course of its longer run utilization. As Device D is configured to return prizes less frequently it must therefore return prizes of a relatively large magnitude to achieve the higher rate of RTP over time.

At the level of the gambling room floor, the poker machine industry runs on a basic dynamic, the contest between the desire for gamblers for what is called 'time on device' (TOD) and the desire of the industry to maximize 'revenue per available customer' (REVPAC) (Cooper, 2005). The EGM artifacts present on this gambling room floor "represent a compromise—these machines keep you more entertained and more engaged, and create the illusion you are winning while making it more likely you will lose" (Cooper, 2005, p. 121). The struggle to prolong entertainment and enjoyment, but without this conveying a sense that this is merely a case of spending and losing more, is thus the basic behavioral problematic to which the engineering solution of poker machine technology is addressed. A proportion of poker machine devices are thus configured to pay relatively larger prizes less frequently, while others are configured to pay relatively smaller prizes much more frequently.

	Return to player (%)	Average games per win (n)	Mini- mum bet (credit value)	Maxi- mum bet	Chance of winning top prize	Chance of winning smallest prize
Device A	89.19	15.31	1c	\$AU5	1 in 193, 194	1 in 48
Device B	89.19	10.06	5c	\$AU10	1 in 38.9 million	1 in 19
Device C	87.86	28.56	1c	\$AU3.50	1 in 32.4 million	1 in 59
Device D	89.62	32.98	5c	\$AU10	1 in 3,600 million	1 in 184

Table 2.1 Variation in Selected Poker Machine Qualities

The distinction between frequent low-level reinforcement—'dripfeeders' (Cooper, 2005)—and more occasional larger rewards structures an experiential dynamic between TOD and gambling losses. This at once creates an economy of difference, and therefore the unending opportunity to transform experience. Cultures of consumption can be built around a variety of 'gambling styles.' For example, periods of risk-averse or relatively prudent consumption interspersed at relatively frequent intervals by small gains can be alternated with other periods of more risky expenditure. These periods might be punctuated by occasional relatively substantial wins but feature a more rapid accumulation of losses.

Of course, given the flexibility built into every individual EGM through the provision of multiple lines for gambling and the options to vary bet sizes, each machine itself provides a form of continuum, allowing gamblers to move between relatively risk-averse periods of lower cost gambling and other periods of more aggressive betting and more quickly sustained losses. The poker machine bet commodity is thus staged in such a manner that gamblers have choices to make, options to pursue. This confers a sense of purposive agency—despite the fact that EGM devices are entirely random and nothing a gambler does can influence the outcome of the operation of the technology. In other words, EGMs provide an experience of the 'active' calculating participant and it is the materiality of the EGM as technical device that simultaneously configures this agency, as it is 'framed' by industrial production and innovation processes, and inscribed in obdurate material technologies.

# From a Responsive to a Resonant Commodity

Poker machine artifacts have been subtly transformed in the innovation process, leading to the staging for sale of an increasingly 'sticky' commodity form (Thrift, 2006). Early versions of poker machine technology responded to the spinning of three mechanical reels using a manual level by lining up an array of symbols across a single pay-line. Contemporary EGMs are activated by triggering the operation of RNGs with a button push. Play can be fast and continuous, creating an experience of 'flow' (Csikszentmihalyi, 1997). In the course of such a flow the EGM commodity now tends to 'resonate' in multiple sensory registers (Thrift, 2006), particularly through graphics, sound effects, music, visual marketing and packing themes, game features, and multiple prize forms such as credits, free games, special features, etc. The consumption of EGM gambling is thus 'intensified' (Thrift, 2006) by the qualities of the commodity and its capacity to engage both cognitive and noncognitive aspects of human experience interactivelyto resonate with how the individual is feeling as well as stimulating and involving them in what they are doing.

In summary, the core technologies of EGM devices are assembled into a complex industrial product—literally and figuratively a black box (Latour,

1999). The box is adorned with a marketing theme, bright lighting, music, and other sound effects, which accompany routine play and accentuate wins and special features within the game. The market good for sale, the EGM bet, is staged as a continuous flow that circulates with speed in a seemingly frictionless virtual space at the triggering of a pulse from an RNG. The redistribution of gamblers' stakes as wins and losses is governed by the RR schedule algorithm that is the calculative core of the poker machine device. Industrial variation and innovation produces an economy of qualities, both in the calibration of this core technology and in the presentation and aesthetics of devices, which can be experienced as difference in the context of the gambling room floor. New products, with new themes, novel graphics, and original game features, ensure that this economy of qualities continues to evolve as an outcome of processes of incremental innovation. The broad sensory appeal of the poker machine grounds and deepens the attachment of individual gamblers to the interactive gambling experience.

The industrial system of innovation that produces EGM artifacts and the commercial systems that distribute and sell the EGM gambling commodity are fundamental to understanding the spaces and cultures of consumption that emerge in interaction with gambling consumers. Growth in consumption, construed as demand in neoclassical economic theory, is essential to the viability of the processes of innovation and institution described. Consuming subjects are conceived as integral to the interactive relationships that shape spaces and cultures of consumption, yet have been largely absent from discussion in this chapter to date. In the following section we provide a theoretical interpretation of vocationally instituted consumers as meaning-making actors. We go on to argue that the qualities of the EGM commodity and the experience of poker machine gambling consumption as immersion in a continuous flow, or what we term a 'stream of indeterminacy,' makes available a relatively 'open' space for meaning-making activity.

## THE INTERIOR ECONOMY OF EGM GAMBLING

Consumption has been identified by Zygmunt Bauman (1992, p. 50) as the 'duty' of the well-socialized individual in contemporary capitalism. The maintenance of 'consumer confidence' is now widely promoted as essential to economic well-being (Smart, 2007). As Bauman (1998) sees it, consumers therefore have 'no choice but to choose' amongst the incredible range of commodities available to them. Consumption activity is thus recognized as being as important as production in the instituting of a viable capitalist social-historical formation, and successfully integrated social individuals are instituted as consuming subjects.

At the level of the social-historical, consumption has thus been instituted as a vocation (Bauman, 1998). Individuals may have a range of 'reasons' for 'choosing' to consume a commodity such as EGM gambling—amusement, entertainment, escape from quotidian pressures or boredom, and so on. Yet the act of consumption is itself an inescapable vocational duty. This vocational duty, however, is not some autonomous expression of consumers' 'right' to choose. Rather, it is part of the labor of instituting economic and social life. As we have argued earlier, it is precisely toward a reconfiguring or channeling of the vocational dedication of the consumer that the heterogenous engineering of the EGM socio-technical system is targeted.

The social and spatial distribution of EGM gambling consumption that is evident in the Australian club and hotel sector is the outcome of the particular articulation of all elements of the institution of the EGM gambling market. This distribution is asymmetrical, and apparently reflects, amongst other things, both a socioeconomic or class component and a disproportionate level of consumption by 'problem gamblers' (PC, 1999). Interaction within the EGM socio-technical system thus, in the words of Barry, "accelerates and intensifies agency in particular directions, and with unpredictable and dynamic effects" (2006, p. 241). We contend that this is because EGM gambling consumption, like consumption generally, is irreducibly a meaning-making activity. In the remainder of this chapter we use the work of Castoriadis to explore the material and symbolic instituting of EGM gambling consumption as a site for meaning making. It is argued that EGM gambling offers a relatively 'low resistance' space of 'interiority' that is relatively 'open' to internal processes of meaning making. We argue that the instituting of a personal, private, and open interior space of consumption is fundamental to the interaction between the EGM commercial system and individual consumers of EGM gambling.

# Indeterminacy, Technology, and the Imaginary

The driver of human social progress is a dialectic of 'meaning,' according to Castoriadis (1997b). It is a relationship between the psyche and the social that is the site of meaning creation. The psyche's place in this is presented via what Castoriadis calls the 'imaginary.' The 'radical imaginary' is that aspect of the psyche that can impart meaning, which can see in something that is, something that is not, and vice versa, and that can take what is and turn it into something that has never been (Castoriadis, 1997b, p. 127). The radical imaginary is the unsocialized remnant of the psyche, that psychical remainder that experiences the world as undifferentiated, or unfragmented. Because of this, it is, in essence, flux, the capacity to make connections within the magma-like universe of possible significations or meanings. The 'social imaginary' is that aspect of the psyche that results from the process of socialization. It is the essential, and imaginary, form of that which is materialized via social institutions (Castoriadis, 1993, p. 16; 1997b, p. 237).

Within capitalist modernity, technology and technique are, as with language, deployed to create an expanding technical system in pursuit of "the unlimited expansion of rational mastery," which is "the central aim of social life" (Castoriadis, 1993, p. 8). This, we contend, is an apt description, amongst many other things, of the expanding EGM networks described in this chapter. For Castoriadis, 'ensemblization' is a process of instilling and deploying meaning, the putting together of a set of meaningful significations from amongst the universe of possible significations. It is an aspect of the 'self-institution' of society and within society, its central and other significations and subsidiary institutions. "The social imaginary is . . . the creation of significations and the creation of the images and figures that support these significations" (Castoriadis, 1997b, p. 238).

It is also the work of the social imaginary to name, classify, and thus to 'fragment' the world. This activity of naming and categorizing, and the capacity to understand aspects of, and to manipulate, the material world accordingly-that is, the associated deployment of material technologies-are also essential to the form and nature of the institution that draws on the ensemble and the identity. Nonetheless, despite the importance of its material manifestations, the naming, the ensemblization, the creation of a new *eidos*, and the imaginary institution of society itself, are fundamentally imaginary activities, initially radical but necessarily social, and on occasion radical again, creating a perpetual chain of meaning creation (Castoriadis, 1997b, p. 154). It is not a process of structuring or establishing hierarchy or an order of society. It is the drawing upon of the magma of signification that provides the wherewithal for all that can be said, meant, or instituted. This is an activity intensely resistant to structuration, solidification, or stratification, even though the maintenance of heteronomous, or we might say 'hierarchical,' society relies upon a perception of these qualities. Thus, we may discover the remarkable capacity of society to obscure its own self-institution beneath the metaphysical last thing that is made the first thing or 'God,' as Nietzsche (1974, p. 20) put it. It is this capacity that also invests the social institution with the appearance of immutability and mastery, although it is in the power of people to imagine that the way things are is neither unchangeable nor inevitable, and to act accordingly.

The relation between the radical imaginary and a specific social-historical ensemble, that is, a particular social imaginary, is in the institution of representations that the radical imaginary cannot bring into existence of itself. This is the process of establishing a nonempty intersection between the psyche and society, an 'interior' intersection that can never be clearly defined (Castoriadis, 1997b, pp. 312–313). Yet this intersection allows humans to signify 'the real' via language—for example, to permit the idea of 'chair' to be conveyed by the word 'chair'—or to see something that is not in something that is—for example, to see in a rock not just a piece of the natural world, but also the category 'granite' or the possibility of an axhead—or to permit the creation of the many and various institutions that permit commoditization to be a meaningful instituted process. Interior space is thus the intersection of the irreducible activities of the psyche and the social imaginary. Put in the lens of this discussion, commoditization is instituted at both psychic and social levels, and in indeterminate ways, as a critical element of capitalist modernity.

In other words, in capitalist modernity, the social individual is socially instituted as a consuming individual, mediated by the central social imaginary signification of money. Underpinning the social individual as consumer is the desire for a state of immersion in the originally experienced stream of indeterminacy, the magmatic originary state that precedes ensemblization and socialization. This desire is the response to the human incapacity to "be enclosed within its 'real' existence ... [which] means that it experiences the Abyss" (Castoriadis, 1993, p. 12). The idea of the commodity and the idea of money, the commodity par excellence, allow this sense of connection and the concomitant pursuit of meaning at least as effectively as that prototype of social institutions, religion, which provides "for the Abyss a Simulacrum, a Figure, an Image" (Castoriadis, 1993, p. 12). Despite the socialization humans experience, always necessarily present is the 'mad' yet supremely creative element of the psyche that was existence prior to the fragmentation associated with the breaking in of otherness, and the socializing process of ensemblization that is the fragmentation required for purposes of socialization, naming, and ordering. This 'mad' creative element provides "the prototype for the connection [the social individual] will always continue to search for, against all odds" (Castoriadis, 1997b, p. 299).

It is the concatenation of the irreducible activities of the social and radical imaginaries that allow for, and require, the interior pursuit of meaning creation. It is a requirement because what the psyche appears to 'trade' for the fragmentation associated with the process of socialization is 'meaning,' in place of the shattered connection with indeterminacy (Castoriadis, 1997b, p. 302). It is also the concatenation of these irreducible activities of the social and radical imaginaries that construct the distinction between the exterior and the interior—the exterior being necessarily created as the place where the object must be. "What will simultaneously become 'world' and 'object' is literally a projection" (Castoriadis, 1997b, p. 303). This in turn leads to the procurement of satisfaction, as social individual, from representation. This is representation via the social imaginary signification of the institution of the social individual as relevant to the society in question-hunter, warrior, craftsman, or, we might say, worker, consumer, or gambler. This self-image, as vocation or calling, becomes invested as the image of the individual for her- or himself. It becomes "more important than . . . life itself" (Castoriadis, 1997b, pp. 315–316).

All of which is well and good. But how does this relate to the experience of those for whom EGM gambling has become, in many cases excessively, meaningful?

What is being bought and sold in the EGM, or indeed any other consumerist transaction, from the vantage of the social imaginary of the capitalist consumer, is this aspect of the interiority of the subject, packaged and commoditized via the EGM's uncanny reflection of that interiority. The EGM, after all, brings together key social imaginary significations of modernitysuch as money and time-with a stream of indeterminacy, encapsulated within a game of 'chance' and delivered via "the identitary dimension of social doing," as Castoriadis (1997b, p. 360) puts it, in this case the logicocultural enhancement of an electronic RNG. In the long run, and in both the small and large frames, this stream of apparent indeterminacy is to a great extent determined. But the EGM gambler is concentrated in the immediate, and in the immediate timeless moment of pushing the button indeterminacy, as it were, rules. The indeterminacy, the unpredictability of the immediate result, is analogous to the intense experience of infinite possibility that is also characteristic of the Castoriadis conception of the magma. The EGM is a device that, more than others, distills the subject's desire for magma into a commodity, and sells it back at a substantial premium. It combines the magmatic incalculability of the instant transaction with the certainty of long-run profit required by the shrewd investor.

The heterogeneously engineered EGM reaches into that great and enigmatic well of otherness that stands behind the world of meaning and social signification, and challenges every established signification. In the EGM we are confronted by a device that appears to occupy the intersection of the radical and social imaginaries, and accordingly to represent the Abyss, and the magma of signification. It promises connection and indeed, as far as can be gathered, delivers it, at least for as long as money can be found. It drips with meaning and it combines at least two of the most central of the central significations of capitalist modernity. All of this, we might observe, takes place within the interiority of the subject placed before the device. But along with the interiority of some subjects it is also the machine that becomes invested with this intersectoral concatenation of representational, affective, and intentional flux. As such, it becomes an artifact that is not so much an object as a crystallization of the navel of meaning, a gateway to somewhere unsayable. It becomes a vehicle traveling at least part of the way to that long lost-place where the potential for meaning is infinite, a device that enhances the capacities of the subject to experience meaningfulness.

This commoditization of interiority is arguably an element in most transactions within modernity. The activities of the advertising industry seem to point to this, particularly when they suggest that a particular form of consumption is invested with a meaning or set of meanings that appear quite unconnected to the commodity in question. It is in the nature of magmas to provide a basis for the connection of each part with each other part. Within a magmatic perspective, the equivalence of, for instance, the purchase of a motor vehicle with a vastly improved sex life makes perfect sense, as the advertising industry fully understands.

Immersion in commoditized indeterminacy allows for heightened possibilities of imaginary activity, of invention, of meaning creation, and accordingly an experience of the sensation of unification. It is an activity, it seems, that is greatly desired by the subject's interiority in its longing for meaning and connection to the infinite.

# Into the Stream of Indeterminacy

Many EGM consumers describe an experience of what they call 'the zone.' The zone is an interior space of preoccupation where, it appears, the rest of life ceases to hold much in the way of meaning. Instead, the logic of the EGM game preempts almost all other concerns, with many gamblers reporting that when in the zone, their only concern is with extending the time they can spend in that space (Livingstone, 2005). Life's routines are suspended when in the zone (AIPC, 2006) and it seems to become the key focus of the gambler's life. The zone, in short, is a site of 'meaning.'

It is common to regard gamblers as people who simply seek to transform their life by gaining something for nothing, usually money. Yet money, although essential to the discovery of meaning in EGM use, is stripped of its own meaning in the process of the activity. Although the central signification of this age, it is transcended in the process of achieving a meaning-relation that, apparently, goes way beyond the system of instituted simulacra provided by the commodity form, including the commodity of commodities, money. Money is a medium, not the object in chief of this activity. Certainly, the accumulation of money is not the 'purpose' of EGM play, although the exhaustion of funds terminates the journey. Rather, gamblers pursue an experience of deep meaning apparently unattainable from other sources.

Reith, for example, argues that gambling represents a special form of consumption, an activity containing transcendental meaning (Reith, 1999, p. 1), possessed of "a unique experiential component" (Reith, 1999, p. 127), a "dropping out of the continuity of life" (Simmel cited in Reith, 1999, p. 130). It is, she says, described by gamblers as, an oneiric state, a "voluptuous panic," a punctuation of the quotidian boredom of contemporary life, and a thrilling moment of "self realisation and transcendence . . . amenable to seductive vertigo" (Reith, 1999, pp. 131-138). Reith's account of the importance the gambler attaches to money is that gamblers play not so much to win, as to 'experience the excitement of the game' noting simultaneously that to play without money is to play without meaning. Playing for something worthless is itself a worthless pursuit. But, as Baudrillard pointed out, "[t]he secret of gambling is that money does not exist as value" (cited in Reith, 1999, pp. 145–146). Money mediates the flow of meaning, we might say. Gambling, Reith argues, has about it a religious dimension, where "the tension between ... chance and meaning ... becomes apparent" (Reith, 1999, p. 174).

There are multiple theories available to account for the fact that some people appear to develop a dependence on EGM gambling, mostly constructed within one or other psychological paradigms. Generally, they may be categorized as behaviorist, cognitive, or need-state models, relying on one or other form of operant conditioning, the deployment of erroneous or irrational beliefs, or the avoidance of unpleasant thoughts or feelings (Griffiths & Delfabbro, 2001; Griffiths & Parke, 2003; Diskin & Hodgins, 1999; Dickerson, Haw, & Shepherd, 2003). EGMs are indeed behavior reinforcement machines, EGM gamblers frequently express erroneous or irrational beliefs, and some gamblers find in their gambling an escape from loneliness, boredom, sadness, or worry. What remains absent from these approaches is the interactivity that constitutes modes and cultures of gambling consumption (Lloyd, 2002) and the fact that 'problem gamblers' (Collins, 1996) are not simply hopeless 'addicts' or mere 'cultural dopes.' On the contrary, they understand what they are doing (AIPC, 2006) and by and large they report that, whilst it produces undesirable, destructive, and often shameful consequences, it remains an attractive and seductive activity.

For some people EGM use does assume the characteristics of a vocation, notwithstanding the impossibility of making a living from it. It is a calling in the service of consumption (Bauman, 1998), and it permits the unity of vocation—as the pursuit of the calling—and the innermost core, the ethic for conducting one's life. However fantastic it may seem, EGM gambling is nonetheless a way of instilling meaning into one's life and of doing so by bringing social and psychical activity into conjunction, a conjunction that brings meaning into being. Yet it is via this experience, framed as it is by an apparently boundless potential for gain and excitement, that a rationalized and technicized calculation of loss is remorselessly enforced.

We might say that if people are indeed capable of exercising some degree of judgment about the way their lives progress then the experience of EGM gambling must fit into some system of logic, meaning construction, or belief, whether 'rational,' mystical, metaphysical, or otherwise. Castoriadis has pointed out that "the authentic meaning of a society is to be sought first and foremost in its actual life and activity" (Castoriadis, 1997b, p. 147). Thus, whatever one thinks of pokie venues and EGM gambling, the venues are places, the EGMs are objects, and the pastime is an activity saturated with meaning. Further, such an activity occurs not in a vacuum, but in response to the conditions under which humans live, and as an extension and adaptation of the already given, the social-historical circumstances under which people must make the most of life. As Castoriadis also points out:

Man is an unconsciously philosophical animal, who has posed the questions of philosophy in actual fact long before philosophy existed as explicit reflection; and he is a poetic animal, who has provided answers to these questions in the imaginary. (1997b, p. 147)

Thus, playing EGMs and visiting pokie venues is not an activity that can easily be viewed as simply a reaction to exhaustion with life and its vicissitudes, buying time away from 'reality.' It is arguably an engagement with the dilemmas of life, and an answer (of sorts) to them.

# CONCLUSION

Analyses of gambling consumption often take a culturalistic or economistic perspective to interpret individual or group practices. Alternatively, various psychological perspectives offer a corresponding variety of causal explanations for individual gambling behavior. In this chapter we have taken a different approach, conceiving the interaction between individual gamblers and poker machine technology as an example of what Slater (1997, p. 1) has described as the "relation between freedom of choice and the power of commercial systems." From this perspective, configurations of social space and cultures of consumption are understood as emerging in the process of interaction between gamblers and the EGM commercial system. It is true to say that such spaces and cultures of consumption are meaningful for people in ways that evade the purposive intentions of, amongst others, gaming machine designers, planners who lay out gambling rooms, or marketers who construct consumer profiles and target promotions. Yet we should underestimate neither the power of these commercial technologies nor the depth and scope of their reach.

Consumption practices in Western capitalist societies are premised on the refinement of commodities and the instituting of rationalities of calculation. The transformation of the EGM artifact from a series of tumbling mechanical wheels into a communicative and calculative device has profoundly redrawn the boundaries of the possible in terms of the commodity and its consumption. Industrial innovation continues to constitute a dynamic of transformation, of devices, games and their features, and the continual expansion of an economy of qualities ensuring that the familiar is forever 'new' and holds an appeal that is 'sticky.' Meanwhile, the central task of the EGM gambling industry, to redistribute gamblers' stakes as wins and losses, is scientifically calibrated and reflexively calculated. The continuous flow of the dematerialized good, the poker machine bet, enables the individual to immerse themselves in a 'stream of indeterminacy,' a space of private consumption that is at once a site of meaning creation. The reconfiguring of consumer agency through the extension and intensification of this experience of immersion can be argued to lie at the heart of the production of social, personal, and financial harm, which can be one outcome of individuals' interaction with poker machines.

The configuration of poker machine gambling consumption in hotels and clubs in Australia has thus emerged in interaction with extensive processes of industrial fabrication and commercial engineering that organize and coordinate much of contemporary social and economic life. The consumption of EGM gambling in social venues is, of course, also shaped by localized conditions such as venue characteristics, management practices, and community sociodemographics. However, the extent to which these factors vary between local contexts, and the extent of their influence on consumption practices, is nonetheless formatted by the powerful industrial and commercial processes that institute the EGM gambling phenomenon and drive its continuing innovation.

# NOTES

- 1. EGMs are not permitted to operate in hotels in the Australian Capital Territory (ACT).
- A further \$1.021 million AU-dollars was spent on EGMs gambling in Australia's 13 casinos in 2000–2001, which accounted for 40.8 percent of casino income from gambling in that year (Australian Bureau of Statistics [ABS], 2002, p. 6).
- 3. United States Patent, number 6,093,102, July 25, 2000.
- 4. In the Australian State of Victoria newer EGMs include an information button on the gambling console that provides access to the data shown in the table. The devices were chosen at random by the authors in a single gambling room in Melbourne (capital city of Victoria) and are not meant to represent the overall mix found in a venue, rather to indicate to some extent the variation possible.

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# 3 Gambling with Development

Comparing Casino Legalization in South Africa with Indian Gambling in California

Jeffrey J. Sallaz

#### INTRODUCTION

Casinos have historically represented sites of vice to be suppressed because of their bad social and moral effects. Commencing in the final quarter of the twentieth century, however, they are increasingly seen as ordinary businesses offering an acceptable consumer good. How was this long-stigmatized institutional form legitimized? Who were the 'players' in this process, and how did they conceive their own interests in gambling policy? What sorts of strategies did they deploy to 'reframe' casinos, and to reshape gambling policy generally?

The standard explanation for this phenomenon, proffered by industry spokespeople and radical critics alike, is an economic one: contemporary governments increasingly using legal gambling to extract from citizens a 'painless tax' in an era of tightening budgets and popular tax revolt. Economic accounts, however, leave unaddressed the cultural 'meaning work' legalization has entailed, especially policy protagonists' strategies for framing a particular mode of gambling regulation as in the best interest of society.

To account for both the material and the symbolic dimensions of policy formation, I advance a political-cultural argument grounded in the work of Pierre Bourdieu. Governing officials' interests in legalizing versus prohibiting gambling here derive from ongoing attempts to balance political capital—roughly, legitimacy—with economic capital—solvency. Potential proprietors, meanwhile, must convince relevant audiences within the political field that they would best operate gambling so as to advance the social good. They seek, that is, to convert economic, organizational, and other resources into symbolic capital.

The political-cultural perspective is put to use herein to compare and contrast two cases of casino legalization in the 1990s. In the United States, ethnic entrepreneurs—Indian tribes—were granted a monopoly on casinos in California. In South Africa, the new ANC government legalized a competitive, corporate casino industry. In both cases, mass casino gambling was legitimized through linking gambling to the development of indigenous peoples. But, through the lens of Bourdieu's theory, we see important differences between the two cases. In California, Tribes converted economic into political capital through a public election. In South Africa, the ANC used a centralized commission to implement corporate gambling over public opposition, in essence converting political into economic capital.

This chapter is divided into four sections. The first is theoretical. It explains how Bourdieu's theory synthesizes political, economic, and cultural perspectives. The second is historical. It describes the emergence and consolidation of gambling policy in southern Africa and the western United States. Despite tremendous social and economic differences between these two regions, the histories of their gambling industries are remarkably parallel. The third section describes the dynamics of policy creation in both regions in the 1990s. I conclude by considering how the capital conversion projects that gambling policy creation entailed are continually reenacted in the ongoing operation of the casino fields.

#### CULTURE, POLITICS, FIELDS

How are we to define precisely what a gambling industry is? Erving Goffman, whose essay "Where the Action Is" (1967) remains one of the few serious attempts to produce a sociological account of wagering, defined gambling as the placing of a bet by two or more parties on an event of uncertain outcome. Goffman's example of two boys flipping for a nickel they find on the street illustrates the allure of basic 'action.' Demand typically exists though for a chance to win not just nickels, but large prizes and even fortunes (Reith, 1999). The facilitation of such action requires organization and resources and is undertaken by a third party known as the 'house,' which takes a cut of the wagers, the so-called 'hold,' to cover expenses and as profit. Historically, gambling's status as an economic good to be sold by a third party, versus a social bad to be outlawed, has been the subject of ongoing dispute. Yet insofar as nearly all governments sanction some forms of wagering, such as church bingo and school raffles, we may view gambling policy as a set of regulations imposed upon a 'gamblingindustrial field.'

Under normal conditions such fields will be stable. A status hierarchy among firms prevails that specifies the relation among market actors as well as the rules and norms that guide their relationships. Stable fields undergo crisis, however, when challenger firms invade and attempt to usurp incumbents. Consider the examples of California and South Africa during the twentieth century. In both cases, state policy officially prohibited casino gambling. But neighboring jurisdictions—Nevada and the formally independent native reserves of southern Africa—did allow casinos, thereby permitting operators to earn monopoly profits. This arrangement remained relatively stable for decades. But during the late 1980s, entrepreneurs emerged and challenged the prevailing field structure. Here the stories

diverge. In California, indigenous tribes would overcome opposition from gambling incumbents and state officials to create a restricted industry over which they hold a monopoly. In South Africa a parallel coalition of ethnic entrepreneurs failed and incumbents maintained property rights, though under a competitive industry structure imposed by the state over the wishes of large firms. Why, despite these common original market conditions, did these two cases of casino legalization diverge?

To answer this question, we may turn to a theory of culture and politics grounded in the work of Pierre Bourdieu. Here, the state is conceptualized as a political field in which the source of power is the possession of political capital. This "political capital is a form of symbolic capital, credit founded on credence or belief and recognition" (Bourdieu, 1991, p. 192; italics in original). The essential character of symbolic capital in modern political fields, furthermore, is recognition as one acting not out of self-interest, but for the good of the whole, the nation, the universal: "The universal is the object of universal recognition and the sacrifice of selfish (especially economic) interests is universally recognized as legitimate" (Bourdieu, 1994, p. 9). While power in the political field derives from the presentation of one's self as having suppressed self-interested, especially economic, motives, political incumbents must simultaneously attend to the concrete demands of state administration, especially regarding fiscal solvency. As it is for elites in other formally nonprofit institutions, the balancing of economic and symbolic capitals is a central and ongoing dilemma.

Bourdieu's 'capital-ist' approach resembles yet improves upon Marxist arguments. Capitalist states must balance a legitimacy imperative, which is the popular acceptance of capitalism, especially through the provision of welfare, with an accumulation imperative, an acceptable level of profits for capitalists. As capitalism advances, these two imperatives become increasingly irreconcilable, resulting in a fiscal crisis for the state (Schumpeter, 1918/1991). However, by speaking of multiple forms of capital rather than contradictory imperatives, insofar as the former terminology relative to the latter connotes quantifiability and convertibility, we gain insight into how state agents manage the internal bookkeeping of economic and symbolic resources. Thus, rather than labeling a ruling party as either legitimate or illegitimate, we may say it possesses a surplus or deficiency of symbolic capital, which can in turn be conserved or exchanged for other forms of capital.

This brings us to the issue of state regulation of gambling. As long as gambling retains some degree of social stigma as an illicit activity, states may accumulate symbolic capital as protectors of the populace by prohibiting it, though at the cost of lost economic capital, i.e., taxation forsaken. We may say as a general proposition that state elites' interests in gambling policy will follow from their perception of their own balance of symbolic and economic capitals.

State officials, of course, are rarely able to simply translate their interests into policy. Bourdieu's field theory also helps us to understand the strategies of the various groups that seek sanction to sell gambling. The dilemma for potential proprietors is the opposite of that of state actors: not how to turn symbolic capital into economic capital, but the reverse. Especially for private parties seeking gambling licenses, the central problematic, insofar as self-interested action is of no inherent value within the political field, is to achieve recognition that their preferred industry rules are in the interests of the social collective. They must, that is, convert economic, social, and other forms of capital into political or symbolic capital. Looking through the lens of field theory restates our puzzle thus: Why was large casino capital unable in either country to 'purchase' enough symbolic capital to shape policy as they wished? And why were ethnic entrepreneurs in America but not South Africa able to convert economic and organizational resources into symbolic capital?

# GENESIS OF GAMBLING FIELDS

In both South Africa and California during the early twentieth century, leading political and religious groups defined gambling as dangerous and immoral, allowing state elites to accumulate symbolic capital by proscribing it. Prohibition was not complete, however, as national and state-level laws allowed churches and other formally nonprofit groups to offer a limited amount of gambling. These systems of structuring the gambling field remained in place until challenger firms emerged and challenged in court prevailing industry rules. Industry and state actors in both countries would mobilize to restore the preexisting field. While the resources and strategies with which they did so were very similar, such counteroffensives entailed steering policy production into divergent domains. The character of these domains would in turn privilege the capital conversion strategies of challengers—Tribes—versus state actors—the ANC—in California and South Africa, respectively.

# Early Gambling Law

State formation in the western United States and southern Africa entailed the consolidation of power by 'civilized' settlers along the 'untamed' frontier. Gambling prohibition was an integral part of this process, codified within the policy domain of new state constitutions. In California, state formation occurred in the context of conflict between Anglo agriculturalists and 'heathen' miners whose local governance structures condoned drinking, prostitution, and gambling. The former prevailed, and instructed the initial state legislature "to pass such penal laws as may be necessary to suppress the evil practice of gambling."<sup>1</sup> A close reading of the penal code produced during this era, however, reveals far less than total prohibition.<sup>2</sup> Specifically, gambling was illegal only when the party acting as the house served as a bank—i.e., by directly betting against all players—rather than as a host—i.e., by charging a set fee for each round of gambling.<sup>3</sup> Such rules sanctioned three main forms of gambling—church bingo, horse racing, and locally licensed cardrooms—and thus granted quite profitable monopolies to three privileged groups within the state social order—religious organizations, agricultural elites, and municipal governments.

The British and Afrikaner settlers who colonized southern Africa during the late nineteenth century, as part of the process of establishing 'civilized' territorial units, also officially prohibited gambling. Yet as in California, gambling was arbitrarily defined so as to grant select monopolies. The standard definition in Afrikaner-controlled territories-which became national law after the National Party (NP) came to power in 1948-framed gambling abstractly as 'an evil' capable of 'doing immeasurable harm to the public."4 Yet the fine print of the 1965 national 'Gambling Act' prohibited only contests of 'chance' as opposed to those requiring 'skill.' While state rhetoric justified this distinction in that only the former, in which 'man' relies on luck rather than effort, would undermine the work ethic of the populace, this definition allowed several groups to offer gambling. These groups included agricultural elites who operated a horse-racing industry, and both churches and favored political parties who ran raffles and lotteries by converting them into contests of skill through the use of ludicrously easy 'trivia' questions. In sum, by labeling gambling an evil, emerging state elites in both California and South Africa accumulated symbolic capital as non-self-interested protectors of 'society.'

# The Emergence of Nearby Casinos

While state elites in California and South Africa sacrificed economic for symbolic capital, in neighboring states there arose during the mid-twentieth century an opposite configuration of interests: economically strapped yet politically secure governments that would opt to legalize casino gambling. In South Africa the NP had by the late 1950s solidified its apartheid doctrine, according to which South Africa's nonwhite 'races' were to be relocated to native reserves, the so-called 'homelands,' and ruled by traditional hereditary chiefs. Though designed to be economically and politically self-sufficient, the homelands were characterized by dire poverty and a lack of an independent civil society. To attract capital to the reserves, the NP in 1971 allowed the homeland chiefs to legalize casinos. Sol Kerzner, a Johannesburg businessman famed for his political savvy, formed a firm called Sun International and by 1977 had obtained every casino contract in the homelands. Sun's monopoly was immensely profitable as white gamblers from urban areas flocked to the homelands to play the slot machines and table games illegal in South Africa proper (Crush & Wellings, 1983).

California also witnessed the emergence of a neighboring casino industry. Nevada, like California, had during the late nineteenth century been home to a rugged frontier culture of mining and vice. Yet Nevada, in 1931, legalized casino gambling. Why did Nevada's trajectory of gambling regulation here diverge? Unlike California, Nevada was sparsely populated and had few natural resources. As its mining industry declined in the first decades of the twentieth century, the state fell into dire financial straits. And unlike California's pluralist political system, Nevada's state government had throughout the century been dominated by a small cohesive elite—for them any symbolic capital to be accrued by prohibiting gambling was dwarfed by the industry's revenue potential. Nevada's casino industry was at first quite small due to its geographic isolation and a lack of financing for casino operators. By the late 1960s rapid population growth in California and an improvement of transportation routes to Las Vegas solved the former problem. An influx of capital from organized crime syndicates resolved the latter (Eadington, 1984). As with southern Africa's homelands, the monopoly enjoyed by Nevada's casinos led to massive profits for firms.

# Challenges to Field Equilibrium

Insofar as the casino industries of Nevada and the homelands increasingly attracted tourists from California and South Africa, respectively, the economic costs of prohibition to the latter states, in terms of lost tax revenues, increased. Yet state officials in California and South Africa never attempted to overturn prohibition, demonstrating the durability of their gambling fields—i.e., of the 'deal' set up between the state government and nonprofits whereby the former accumulated symbolic and the latter economic capital. Field equilibrium would be disrupted only with the emergence of challenger firms in the late 1980s who contested in court prevailing industry rules.

In California this occurred through a 1987 US Supreme Court decision allowing Indian Tribes to offer high-stakes gambling on their lands. In 1983 President Reagan had announced a new federal philosophy on Indian affairs based upon Tribal 'self-reliance' and administered through cuts in funding for Native American programs. California Tribes, for over a century secluded on small, desolate patches of land, began experimenting with novel means of attracting capital to their reservations. The Cabazon Tribe of San Diego County was one of several to open bingo parlors. Bingo is a 'nonbanked game,' where multiple players pay an entry fee to then play against one another to be the first to form specific patterns on a card. As a nonbanked game, bingo was legal in California, but the Tribe offered jackpots higher than those allowed by state law. Claiming the Tribe was behaving criminally, law enforcement shut down the bingo parlor.

The Cabazons successfully sued the state, arguing that Tribes, as politically sovereign entities, were immune from state gambling law. In 1987 the US Supreme Court agreed to hear the state's appeal and, surprisingly, ruled in favor of the Tribe. The Court argued that Tribal gambling was entirely consonant with Reagan's philosophy of Tribal 'self-sufficiency,'

and that 'State regulation would impermissibly infringe on tribal government.' Gambling Tribes were thus framed not as vile vendors of vice but economic entrepreneurs to be emulated. And in the immediate aftermath of the decision, Tribes throughout California began offering not just bingo but casino-style games as well.

During this same period a court in South Africa also issued a surprising decision on 'illegal' gambling. Private entrepreneurs throughout South Africa had long attempted, unsuccessfully, to operate gambling 'joints' in white urban areas. By the late 1980s, however, as the capacities of the police were stretched fighting the uprisings against apartheid, gambling law enforcement became a low priority and urban casinos mushroomed. Then in 1989 a South African of Middle Eastern descent—known informally as the 'Blackjack King of Jo'burg'—brought suit against the Johannesburg police for raiding one of his casinos. In a surprise 1990 decision the judge accepted the plaintiff's argument that while chance plays a part in the outcome of any single hand of blackjack, in the long run a player schooled in mathematics could successfully beat the house through a method known as card counting.<sup>5</sup> In short, blackjack is a game of skill not luck and thus legal. As in California the ruling led to a proliferation of gambling venues. Within two years there were an estimated 4,000 small casinos in South Africa.

# Casino Incumbents Strike Back

While the small gambling facilities emerging in rural California and urban Johannesburg could not match the elaborate amenities of Las Vegas's Caesars Palace or Sun International's Sun City, the corporate monopolies of Nevada and the homelands viewed with concern these field challengers, situated in the heart of their main consumer markets. In both cases, casino corporations, having suffered defeats in the courts, attempted to revive and reinforce the prohibitory frame by shifting policy formation from the judicial to the executive and legislative domains.

In South Africa Kerzner appealed to President F. W. de Klerk to shut down the new urban casinos. In addition to publicly denouncing them as threats to public order, de Klerk ordered his Minister of Justice, Kobie Coetzee, to draft legislation amending the skill–luck distinction and increasing penalties for violations of gambling law. The resulting Gambling Amendment Bill of 1991, however, generated backlash in the media and from opposition parties. To deflect such criticism, de Klerk in 1992 called a commission of inquiry to study the matter. The Howard Commission (1993) recommended as a solution to the gambling dilemma the legalization of casinos in South Africa proper. To best protect the populace, however, they should be placed an hour's drive from cities, and limited to 10 to insure against the "over-stimulation of demand" (Howard Commission, 1993, pp. 110–112). While the Howard Report replaced a prohibitory frame with a regulatory one, the new rules would have preserved the previous industry structure and hierarchy of incumbents. A restricted, rural industry catering to the urban middle class, that is, would have played right into Sun International's hands.

The Howard Report, however, was to be cast into the dustbin of history with the end of apartheid. The ANC, which swept the country's first democratic elections, had traditionally voiced criticism of the homelands and their corrupt casinos. A criminal investigation was launched on Kerzner, who fled the country, and a new commission was called to draft a national gambling policy in line with the goal of black empowerment. The future of casino incumbent Sun International in the new South Africa, in short, did not look promising.

A parallel dynamic occurred in the United States. Following the Cabazon ruling, Nevada firms and state governments moved the policy domain from the judiciary to Congress. The Cabazon ruling had affirmed only Tribes' right to offer bingo. The question of whether they could offer casino games, such as slot machines and blackjack, was unclear. The majority of the Congressional debate on Indian gaming concerned the question of whether to let Tribes run casinos—labeled 'Class III gaming'—and, if so, under whose regulatory authority—Tribal, federal, or state. As in South Africa, casino capital's interests were represented indirectly by state officials, Nevada politicians, whose interests were aligned with theirs.

The political status of Tribes dominated the two years of Congressional debate. The concept of Tribal sovereignty, anti-casino forces argued, is fictitious and inimical to basic American values of economic fairness:

Some will tell you that this is a question of Indian sovereignty, and that the Federal Government should do nothing which might imply a role for government entities . . . [H]undreds of millions of dollars a year are provided by the Federal Government to the same people who want non-regulated gaming, and those dollars are spent by the Federal Government on those same lands where the gaming should be permitted.<sup>6</sup>

Tribal representatives retorted that Indians are not US citizens, and to treat them as such would fly in the face of centuries of federal policy defining Tribes as sovereign nations:

It is . . . ironic to . . . hear that we lack the capacity to govern ourselves. Our neighbor, the state of New Mexico, is now celebrating its 75th birthday as a state. We on the other hand have been governing ourselves for over 750 years.<sup>7</sup>

After a series of bills failed to pass during the 1987 and 1988 sessions, a 'compromise' was proposed by senator Harry Reid of Nevada according to which Tribes and states would be considered sovereign entities of mutual standing while the question of casinos in any given state would be settled through 'good faith' negotiations between Tribes and the governor, and codified in a legally

binding 'compact.' The compact provision, especially its formal recognition of Tribal sovereignty, gained traction in Congress because it resonated with the Reagan administration's self-sufficiency doctrine of administering Indian affairs, resulting in the 1989 Indian Gaming Regulatory Act (IGRA). IGRA was immediately labeled by most observers, however, as a stunning victory for Nevada corporations. "To [those] who represent Tribal units which rely on the income from certain games other than bingo . . . this is a devastating blow . . . This bill would seem to give evidence that the committee is more interested in the welfare of the large casinos in Las Vegas."<sup>8</sup> Such prognoses focused on fine print stating that governors, when negotiating, need not grant Tribes any gambling not currently allowed within the state. Since at the time only Nevada and New Jersey, the latter of which has no federally recognized Tribes, permitted casinos, IGRA seemed to preclude Tribal casinos in the vast majority of the United States.

# AGAINST ALL ODDS: THE SYMBOLIC LABOR OF FIELD FORMATION

It's hard to imagine two men more different than Nicolas Wiehahn and Paul Mandabach. Wiehahn, an Afrikaner and longtime high court judge in apartheid South Africa, in 1979 headed a Commission of Inquiry recommending the reformation of the country's racist labor laws. As a result, Wiehahn gained both national fame and respect among black leaders as a veligte (enlightened) Afrikaner. By the late 1990s, Wiehahn was in his 60s and working as a legal consultant in a leafy Pretoria suburb. A selfdescribed 'deeply principled man,' he pointed with pride during one of our meetings to a photo sitting atop a faux Roman pillar near his desk. The juxtaposition of the picture, of himself shaking hands with Nelson Mandela, and the classic architecture attested to his faith in the principles of classic liberalism and their capacity to create a just legal system in the new South Africa. Paul Mandabach, on the other hand, espoused no such adherence to formal doctrine, classical or otherwise. A white American in his 40s, Paul is a pragmatist, the head of a political consulting firm that runs electoral campaigns for causes across the political spectrum. While Wiehahn's points of reference are the classics of Western philosophy, Mandabach, during our interview in his office overlooking the Santa Monica beachfront, ran in and out to handle multiple conference calls and monitor up-to-theminute opinion polls from across the country.

What Wiehahn and Mandabach share is a mastery of their countries' respective political machineries, and both were enlisted by gambling policy protagonists, the ANC and Tribes respectively. They were thus the authors of the key policy texts structuring the new casino industries. We can only understand the paradoxical trajectories of property rights—corporations versus nonprofits—and industry structure—competitive versus monopoly—in South Africa and California by examining the symbolic labor these two men performed in producing these texts.

### California: From Sovereignty to Self-Sufficiency

While IGRA appeared a clear victory for casino incumbents, a close reading revealed that vague language actually deferred the struggle over Tribal casinos back to states. Specifically, fine print in IGRA stated that Tribes have the right to any forms of gambling permitted in a state "for any purpose by any person, organization or entity." While this phrase was originally considered innocuous by corporate and state representatives, Tribes subsequently combed through state gaming statutes for any provisions allowing casino-style games, for instance, Las Vegas charity nights for churches, to use as a basis for requesting Class III gambling. Three general statelevel scenarios subsequently emerged. States such as Utah and Ohio permit no forms of casino-style gambling whatsoever, and their governors have refused to negotiate. Statutes in states such as Connecticut and Oregon definitely allow casino-style games, and their governors quickly cut deals allowing Tribal casinos. In a third group of states, however, it was ambiguous whether the various forms of permitted wagering were in fact analogous to casino games. From the point of view of Nevada casinos, this third group contained the most important state, California, whose market was estimated at over 10,000 million dollars.

Initial struggles over Tribal casinos in California took place in state courts. In 1992 Tribes asked Republican governor Pete Wilson to negotiate a casino compact on the grounds that the 'Video Lottery Terminals' (VLTs) used by the California lottery to dispense tickets were functionally similar to slot machines. While Wilson could have negotiated a revenue-sharing agreement as part of a compact, his political base consisted of social conservatives who vehemently opposed gambling expansion. Not willing to risk losing political capital so early in his first term, Wilson refused to negotiate, claiming the state's VLTs were distinct from slot machines. Tribal leaders disagreed with Wilson and engaged in 'creative engineering' to construct the slot machines to which they felt they were entitled. By the end of the year there were 14,000 such machines on Indian lands in California.

So a five-year struggle commenced between Tribes and Governor Wilson over casinos in California. While Wilson would ultimately refuse to grant them a satisfactory compact, during this half decade Tribes managed to keep their uncompacted slots up and running and thus to accumulate large amounts of economic capital. At first, this was made possible by legal ambiguities surrounding the interpretation of both IGRA and California gambling law. In early 1993 Wilson and his Attorney General planned a massive raid on Tribes' slot machines. By this time, however, several Tribes had initiated suits to obtain judicial approval of their definition of the state's lottery terminals and threatened countersuits should Wilson confiscate their machines.

Neither IGRA nor federal Indian law defined procedures for dealing with such a dispute, so federal officials in the Justice Department intervened. Seeking a parsimonious solution to this quickly evolving legal morass, they negotiated between the two sides a 'standstill agreement.' Tribes would consolidate their various lawsuits against Wilson while both sides would agree to abide without appeal to the court's decision. During litigation Wilson, while not acknowledging the legality of the disputed slots, would allow them to operate provided Tribes did not increase their overall number. The consolidated court case, *Rumsey v. Wilson*, centered mainly on the technical characteristics of the VLTs and the Tribal slots, and was litigated until 1994. The final ruling by the US Court of Appeals 9th Circuit was a resounding defeat for Tribes. The terminals operated by the California lottery were not slot machines, while the Tribe's machines were. 'The state,' therefore, "need not give Tribes what others cannot have."<sup>9</sup>

Despite this ruling, Tribes continued operating slot machines for several more years. For in the aftermath of the case, Wilson announced that he would be willing to negotiate a compact, but only with those Tribes who had refrained from suing him in the Rumsey case. Only one Tribe, The Pala Band, initiated negotiations with Wilson, and these talks were by all accounts acrimonious. Wilson insisted upon a secrecy clause during negotiations, which angered other Tribes. The Palas, however, had received a pledge from federal authorities not to raid any Indian casinos while negotiations were ongoing. It is not entirely clear why Wilson opted to open negotiations following his success in the Rumsey case. Tribal leaders in the state have told me they believe he did so to spite the 'outlaw' Tribes who had sued him. Other political insiders, both Democrat and Republican, point to the tremendous revenues being reported for the first time in the new Tribal casinos of Connecticut. By 1995 two of the world's largest casinos, the Pequot Foxwoods Casino and the Mohegan Sun Casino, were operating there, producing hundreds of millions of dollars for the state government. Regardless, the talks and illegal slots continued unabated for nearly three years, allowing Tribes to stockpile gambling revenues and form several advocacy organizations.

The 'Pala Compact' of 1998 was for all purposes stillborn. Most Tribes publicly denounced it as a sham, an attempt by Wilson to strong-arm them into accepting a compact that 'subjugated sovereignty' (Lombardi, 2000). With no compact and no litigation or negotiations ongoing, US Attorney General Janet Reno on May 14, 1998, authorized state authorities to confiscate all Tribal gambling machines in the state. Tribal leaders at this point could have folded, pocketing the millions earned in 'illegal' gambling revenue over the past decade. Instead they attempted a last-ditch effort to obtain a Class III compact. California's proposition system, instituted by the Populists as a safeguard against a monopolization of power by state officials, allows a public vote to substitute for a gubernatorial decree. By investing the funds necessary to qualify an initiative for the ballot and run a campaign, Tribes could potentially circumvent the governor and win public approval for a compact.



*Video Capture 1* Suburbanites see erupting casinos. A husband and wife walk together down a quiet suburban street. They are white and coded as middle class—note the sweater tied around the woman's shoulders. Suddenly, casinos erupt from the trembling ground, sprouting up all around them. A man's voice narrates, "'Right now most Tribal casinos are far away from where we live. Prop 5 will change that . . . any Tribe could buy land anywhere and build a casino. Prop 5 gives us no vote and no voice.'" (27 July 27, 1998)

Tribes would prevail within this final policy domain, a public referendum called Proposition 5: The Tribal Gaming Initiative (Prop 5). It is beyond the scope of this chapter to explain exactly why Prop 5 succeeded. Given that the California public had in recent years voted down a series of similar proposals to legalize limited casino gambling, we may infer that Tribes' strategy for framing their casinos as in the best of interest of the state achieved sufficient resonance with voters. My objective instead is to demonstrate how the dynamics of the campaign shaped the contours and contents of the resulting casino compact. Tribes' attempts to sway undecided voters via television commercials entailed particular framings of who is a proper gambling operator—Tribes not corporations—and the structure of the industry-limited and monopolistic. The sign-production conventions and audiences characteristic of an electoral campaign, that is, allowed Tribes to convert economic into symbolic capital and led to a particular set of industry rules. The referendum as a structured policy domain operated as a dramaturgical prism mediating between agency and outcomes.



*Video Capture 2* Indian spokesperson on hillside. Mark Macarro, a Native American spokesperson, addresses the camera directly. He is dressed simply—in blue jeans, a plain shirt, and bolo tie—and stands against the backdrop of a wooded hillside. He states, "For too long, fear tactics have been used to scare people about Indians ... These ads claim Prop 5 would allow casinos to sprout up like weeds all over California. The truth is, Prop 5 simply allows Indians to continue to have limited gaming on Tribal lands.

What, as the campaign began, was the configuration of actors, and how did they tailor their resources and strategies to the policy domain? A referendum of this nature is in essence a two-sided 'framing contest.' Yet insofar as the winning side, by framing their preferred meanings of gambling and casinos as in the interests of the entire state, receives a definitive public mandate of support, it represents as well a paradigmatic act of symbolic capital accumulation and deployment. The anti-casino side in the Prop 5 campaign was the 'Coalition Against Unregulated Gaming' (CAUG). Its official organizers consisted of several prominent community activists well known in state politics. Unlike Governor Wilson, they decided to accept contributions from Nevada casino firms who in turned poured 25 million dollars into their campaign. In addition, CAUG received official endorsements from prominent state and local politicians, religious leaders, and organized labor-to say this coalition had deep pockets and broad political influence would be an understatement. The Tribal coalition-California Indians for Self-Reliance (CISR)-in contrast, operated with few endorsements from major political



*Video Capture 3* Development of reservation infrastructure evens playing field for Tribal youth.

organizations, though their total expenditure on the campaign, 60 million dollars, was commensurate to that of the opposition.

The dramatic shift in policy domain entailed a shift in Tribes' dramatic strategies for obtaining casino rights. To this point they had operated mainly in the courts, hiring lawyers to make technical arguments to a judiciary audience. The referendum entailed very different audiences and settings, voters and advertisements, and thus the use of public relation professionals rather than lawyers as key intermediaries. Regarding the relevant audience for the campaign, early polling revealed the overall electorate to be evenly split with 35 percent strongly against, 35 percent strongly in favor, and 30 percent undecided or not set in their opinion. This 30 percent was thus the target audience for both sides, which polling revealed to be politically moderate, middle-class, and suburban. As is standard in campaigns, focus groups were used by both sides to develop key ideas and messages that might sway the undecided. CISR found that such voters were unsympathetic to legalistic arguments based on rights or sovereignty. Their focus groups, however, revealed a resonance between the self-sufficiency component of the Cabazon decision and the welfare-to-work discourse prevailing in American politics.<sup>10</sup> Thus their core frame: casinos as a means to Indian 'self-reliance.' CAUG, in

contrast, found that undecided voters worried that Tribal casinos would be a first step towards the construction of casinos in their own neighborhoods. Thus their core frame: Indian casinos would be unchecked and unregulated.<sup>11</sup> Regarding how protagonists conceptualized the dramatic setting of the policy domain, each side assumed that its core frame would have to be elaborated within a larger 'package' of key phrases, sound bites, and images. While frame elaboration would be accomplished via a wide array of materials, such as direct mailings, radio ads, and Web sites, both CISR and CAUG assumed that television advertising would be the main medium for reaching voters and thus the majority of campaign funds were spent to design and air such ads.

CISR's strategies for elaborating its core frame and rebutting that of the anti-casino coalition entailed certain representations of Nevada corporations, industry size, and the proper distribution of gambling revenues. These representations would in turn be codified as rules regulating property rights and industry structure in the Tribal casino compact. The campaign lasted from July to October 1998, and proceeded in a series of 'waves.' The first wave consisted of an initial 'attack ad' from CAUG in which they offered,



*Video Capture 4* 'Growing up on a reservation was hard. Lots of heartache, lots of poverty . . . Indian gaming has broken the cycle of poverty and I've seen it first hand. In my own family and my own children . . . they are smiling a lot more than I used to.' (CISR TV advertisement, 1998, 'Broke the Cycle')



*Video Capture 5* CISR frames CAUG as Nevada front. 'They're at it again, another anti-Indian ad from the big Nevada casinos . . . We'll continue to trust you the voters to reject the Nevada casinos' deceptive ad campaign"

in a series of dramatic images, their core frame: Prop 5 would lead to an unchecked expansion of casinos. (Refer to Video Capture 1).

In planning their campaign strategy CISR correctly predicted that CAUG would prey on fears concerning the deleterious effects of casinos on non-Indian communities. Rather than challenge this definition of gambling as a potentially harmful vice, CISR argued Tribes would limit casinos and keep them away from urban areas. (Refer to Video Capture 2).

So while CAUG contended that Prop 5 would open the door to unregulated, urban casinos, CISR countered that it would create a regulated, rural industry. The visual depictions of these positions drew upon polarized images of California landscapes, cashmere and city streets versus denim and pastoral hillsides.

In the second wave of the campaign, CISR took the offensive by disseminating its core frame of self-sufficiency. Past attempts by the state to economically assist Tribes crushed their entrepreneurial spirit and replaced it with welfare dependency. Casinos will allow Indians to, for the first time, participate in the American dream of meritocracy. This motif was ubiquitous in its media material.

CISR would extend the master frame of self-reliance to another aspect of Tribal gambling. Casinos were here depicted as a developmental project for Tribal communities whose lack of basic infrastructure had hindered participation in the 'American Dream.' A frequent motif juxtaposed images of Tribal children with those of infrastructure being built on reservations. (Refer to Video Capture 3 and 4).

CAUG responded with a radical counter-framing of Tribal casinos' developmental impact. Prop 5 would not empower Indians throughout the state. It would rather allow a few Tribes to enrich themselves and finance their lavish lifestyles.

An October 26, 1998, TV spot called "The Mansions of San Manuel" opens with impoverished Indians sitting on the ground on a dusty road. The next shot is from a helicopter. It shows the large homes built by members of the San Manuel Band of Mission Indians with their gaming revenues, complete with swimming pools. The voice-over: "Voters wanting to help poor Indians are being deceived by the backers of Prop 5. These are the mansions of San Manuel, a Tribe with 25 members and one lucrative casino. They're spending over a million dollars each to pass Prop 5... Prop 5 just makes a few rich casino owners richer."

In their response ad, CISR did not deny that the majority of their funding derived from a handful of Tribes. They rather reframed this spending as not self-interested but altruistic action. Casino Tribes were risking their own capital to ensure that other Tribes—and even future generations of Indians—would reap the benefits of casinos.

In an October 6, 1998, TV commercial entitled "Got Something Right," Mark Macarro, by now the de facto spokesman for CISR, again stands in a rural field and addresses the camera directly. He puts his arm around a young boy and states, "California Indians are fighting hard to defend ourselves and the successful Tribes are spending more to protect all of the 85 Tribes that support Prop 5. That's as it should be."

In the third wave of framings and counter-framings, CAUG linked its master frame 'unregulated' to the related ones of 'untaxed' and 'unfair,' and presented itself as a coalition of civic groups—small businesses, politicians, labor unions—concerned that Prop 5 would give Tribes an unfair economic advantage.

In a commercial that aired during the final weeks of October, a small business owner bussing the tables in her own restaurant speaks to the camera, "[Indian] casinos pay no state or local taxes. I do but they don't. Unregulated, untaxed casinos are unfair to businesses like mine."

CISR refuted this framing not by disputing that Tribes would have an advantage over other California businesses, but by deflecting attention to the funding of the opposing campaign by Nevada corporations. They were the real enemies of free market principles, seeking to preserve their own monopoly by killing competition from Tribes. (Refer to Video Capture 5).

The compact negotiated following the passage of the Tribal Gaming Initiative reflected the dynamics of the electoral framing contest. It placed quantitative and temporal limits on the involvement of private companies, vilified during the campaign as self-interested outsiders. To ensure against the concentration of profits with a few wealthy Indians, a revenue-sharing system was established to spread capital among all the state's Tribes, even those without casinos. To guarantee individual Indians are 'uplifted,' revenues must be classified as governmental funds—not private profit and used for social services for Tribal members. Finally, so the industry does not spread unregulated into suburban areas, the number of gambling devices in the state is limited to well below what standard economic models predicted the market could support. Tribes' successful conversion of economic into symbolic capital, in sum, was possible only in the context of a public election.

# South Africa: A Las Vegas on the 'Veld'

In South Africa, we find a similar alignment of industry actors and resources yet a disparate policy outcome: rules to create a competitive, corporate industry. These rules were crafted in a very different sort of policy domain: a national commission of inquiry. This section asks two broad questions. First, how did state elites perceive their interests in a particular casino policy? Second, how did the commission allow state elites to realize their interests vis-à-vis other actors?

During the two years following the official end of apartheid, from 1994 to 1996, a Government of National Unity (GNU) was charged with drafting the country's new constitution. The question of who would have authority over gambling policy saw a bifurcation between the ANC, which sought national control, and the country's minority parties, which desired provincial control. The ANC prevailed through arguments that national coordination was necessary to curtail 'harmful competition' among provinces.<sup>12</sup> ANC officials at this point operated with two assumptions regarding the public's position toward gambling. First, there was minimal support for the liberalization of gambling law from citizens. Second and as demonstrated by the success of both the homeland and new urban casinos, there was a high degree of demand for gambling from consumers.

The ANC's decision to pursue the course of mass corporate gambling resulted from an asymmetry of political versus economic capital. On the one hand, the party, elected by landslide margins, possessed a mandate as the party of all South Africans to define as legitimate or illegitimate a wide variety of existing and emergent institutions and activities. On the other hand, it faced a severe financial crisis due to the cutting of corporate taxes to attract foreign investment, the 'hiding' of assets overseas by wealthy whites, high levels of unemployment, and a huge informal economy. In interviews I conducted, ANC officials charged with crafting gambling policy reported that they did perceive and act upon this capital asymmetry. Gambling was referred to at the time as a 'painless tax' that could be offered as a concession to provincial leaders who would collect taxes directly, thereby reducing the national state's burden of subsidizing the provinces. While legalizing corporate casinos was politically risky, party officials also felt sufficiently insulated from public opinion to do so. "People were taking us into an awful lot of trust at the time with these policies," one official stated to me.

Merely elucidating the interests and resources of the state, however, is insufficient to explain final policy outcomes. The ANC, unlike the Wilson administration, was able to achieve its capital-conversion project relative to gambling incumbents and challengers insofar as policy formation remained within an institutional legacy of apartheid: the commission of inquiry. The commission as a policy domain offers those who control it sole authorship over policy texts. In addition, its procedures of requesting submissions from society and its technocratic tone allowed ANC officials to both minimize lost symbolic capital and maximize economic capital garnered.

During the GNU period, gambling was put into the portfolio of deputy Minister of Justice Chris Fismer, a former NP parliamentarian who had switched allegiance to the ANC. Fismer, labeled in government circles the 'Minister of Gambling,' worked closely with Alec Erwin, former ANC ideologue and new head of the department of trade and industry. In consultation with the ANC executive, the two brainstormed the outlines of a corporate casino industry. To give formal justification to these plans, especially the linking of casinos to the government's larger mandate of black empowerment, they enlisted Wiehahn to author a comprehensive gambling study and sent him a detailed brief of their policy objectives. This moment of selecting the policy author was key. Wiehahn had authored dozens of commission reports during apartheid. New federal officials were well aware of and took advantage of his reputation as a veteran political actor skilled at translating the general vision of party officials into a concrete set of regulatory rules.

Upon receiving the brief, Wiehahn set to work. First, 19 representatives from civil society and provincial governments were placed on the commission. That they played no significant role in the production of the report was revealed by Wiehahn in an interview with him: There was an immense time pressure on us. The ANC wanted the report researched and written in one year. In the past, I had tried dividing up the chapter writing among the different members of the commission, but this was inefficient. So four of us, we formed the 'think tank' that did most of the research, but then I wrote it all. I would send out drafts to the other people and they could make suggestions, but when the time came, that's it! (Author's interview, May 2002)

Next, Wiehahn publicly requested submissions from all interested parties. Excluding those from individuals, 35 were received from three main groups: nonprofits who had been sanctioned to run gambling in apartheid South Africa; Sun International and related corporate interests; and the urban casinos. All three groups presumed that casinos would be legalized, and proposed different sets of industry rules to best advance black empowerment. Nonprofit incumbents sought to maintain their monopoly by preserving the old frame, in which gambling is a necessary evil, best left in the hands of those who will protect consumers. As one group, the Community Chest of the Western Cape, argued in its submission:

It has to be accepted that today only 30 percent of the population will contribute voluntarily towards a welfare project and that we cannot afford to disregard those who want something in return. This, however, means that provision must be made for prizes . . . This council would recommend as follows: That competitions for welfare be permitted, but that they be rigidly controlled by the government to prevent dishonesty and profiting by commercial concerns. (Document available from author)

Such limited gambling will prevent the poor from being tempted to squander the little they have. Corporate incumbents also advocated a continuation of the old frame. Casinos should be limited in number, confined to rural areas, and cater to wealthy tourists. Such regulations would protect the urban poor, and create jobs in impoverished provinces, 'where they are needed most.' The urban casino challengers proposed an entirely different frame. In their view small urban casinos would achieve maximum penetration of consumer markets, thus maximizing revenues and jobs.

The final Wiehahn report would adopt none of these proposals as policy. It would grant property rights to large corporations such as Sun, but would deny these firms' requests for a limited, monopolistic industry. How was this new policy justified? The Wiehahn report opens by stating that gambling policy must advance "social upliftment and economic development" (Wiehahn, 1996, p. 5). How to structure a casino field to further both justice and growth? The report used a cost-benefit analysis. It sought to identify casinos' effects upon society, and maximize the positives and minimize the negatives. First, various negative social effects of gambling identified by

incumbents in their submissions were acknowledged, such as neighborhood deterioration and exploitation of the indigent. These myriad social effects, however, could be prevented by treating their root cause, which is a disease known as 'pathological gambling.' The report argued that while 'normal' gamblers play for fun and risk only what they can afford to lose, medical specialists have documented that a certain, though small, typically under 1 percent, portion of any population will suffer from a psychological abnormality in which they are driven by inner urges to gamble uncontrollably, leading to bankruptcy, loss of employment, crime, and alcoholism. Insofar as this is a psychiatric condition, specialist care and treatment are required. The solution is therefore "that the gambling industry establishes an institute or clinic for the treatment and rehabilitation of pathological gamblers" (Wiehahn, 1996, pp. 59–62).

The report then discussed gambling's many positive economic effects. First, 100,000 new jobs would be created by labor-intensive casinos. Second, casinos would stimulate other industries, both service and manufacturing, leading to economic growth generally. Third, a gambling industry would develop human capital as casinos hire and train workers and managers, especially so-called "previously disadvantaged individuals" (Wiehahn, 1996, pp. 63–64). All of these positive developmental effects of casinos, by implication, were to be maximized to the extent the industry itself is. Because the medical apparatus for the treatment of pathological gambling is to be funded by gambling operators as a percentage of overall revenue, the mitigation of negative social effects would be dependent as well upon maximizing industry size.

Regarding the governance structures to regulate the field, the report considered, first, the 'supply side': the number and placement of casinos. Its philosophy was that, "market forces will be the major determining factor with regard to the allocation and distribution of casino . . . licenses" (Wiehahn, 1996, p. 196). The commission defined market forces as potential consumer demand, and used a formula of population size, average income, and expected per capita gambling expenditure to predict that the nation could sustain up to 40 casinos. As for the placement of individual casinos, no attempts should be made to differentially allocate licenses to poor, i.e., rural, areas. Such a decision, insofar as it would entail placing casinos further from high concentrations of, on average, wealthier consumers in urban areas, would negatively affect industry performance:

The Board deliberated whether some 'mild form' of "affirmative action" could be applied in the allocation of casino licenses per province. This would have the effect that ... licenses be taken away from the "haves" and be given to the "have-nots" of provinces ... However this, in the board's opinion, is a political-economic consideration. The Board's calculations are based on scientific and empirical research. (Wiehahn, 1996, p. 203) Second, what sort of restrictions should be placed upon 'the demand side'? In general the state should "allow as little interference as possible with the gambler's freedom to gamble." The choice to wager is not only rational and voluntary—"no one is compelled to gamble"—but a basic right denied under apartheid that citizens must surely desire (Wiehahn, 1996, pp. 68, 4). Nor should the state interfere with operators' ability to maximize demand. The best policy for the public is to allow the industry to police itself: "The Board strongly supports the notion of a self-designed, self-formulated and self-imposed code of conduct which the industry could develop with time" (Wiehahn, 1996, pp. 3, 75).

To this point, the report's framing of the casino field parallels that of the urban casino challengers. Empowerment means economic not social development, and the bigger the industry the better, so let free market governance structures rule. The commission, however, vehemently recommended against granting licenses to the urban casinos. Despite the ambiguity surrounding their legal status during the waning years of apartheid, their actions demonstrated a disrespect for the law that would sully the reputation of the state and so is not to be tolerated:

The illegal [*sic*] casinos presented and still do so, a serious problem . . . for the government and most South Africans. These casinos started operating in South Africa approximately five to six years ago in flagrant violation of the law—a serious and dangerous phenomenon in any society . . . This can be construed as nothing else but a rape of the law . . . and a sure sign of the loss of freedom is the compassion which extends pity not to the raped but to the rapist. (Wiehahn, 1996, pp. 95–97)

These thousands of operators were disqualified from acquiring casino licenses. Who then should own and operate casinos? Having ruled out the urban casino challengers, the only two remaining candidates were nonprofits and large capital. While not adjudicating directly on the matter, the report, in laying out the criteria by which applicants for casino licenses should be judged, endorses the latter. These criteria included: First, a track record of "knowledge, skills and experience . . . in the casino industry"; second, sizable financial resources and a sound financial history; and third, minimal ties to the government (Wiehahn, 1996, pp. 101–103). All three criteria obviously favor large casino firms.

The final Wiehahn report conformed to none of the proposals offered by incumbents or challengers. It was an expression, rather, of state actors exerting their will. While large firms retained property rights over casinos in the region, Sun International's request for a monopolistic, restricted industry were denied, demonstrating this was not simply a case of incumbent firms having their way. Nor, as did California's Tribes, could challenger firms here prevail. The commission report as a policy domain did not allow them to convert their considerable economic and organizational resources into property rights.

The preceding analysis of the process through which the Wiehahn report was commissioned and completed demonstrates as well that final policy outcomes were neither random nor the result of competing proposals canceling one another out. Clear networks of communication and feedback existed among Wiehahn, top officials in the Department of Justice and the Department of Trade and Industry, and the ANC executive. While Wiehahn possessed autonomy to devise the proper means through which the new government's ends would be achieved, the ends themselves were specified well in advance, namely, maximum tax revenue with minimal regulatory effort. While the development frame proffered by challengers linking a competitive industry to black empowerment through maximum job creation was adopted by the commission, and while the urban casinos arguably could have best maximized revenues through maximum market penetration, they were nevertheless denied licenses. About 30 or 40 large casinos, given the state's limited regulatory resources, represented an easier pool of operators to monitor to insure compliance with the state's taxation requirements than did thousands of small 'illegal casinos.'

#### CONCLUSION

Bourdieu's field analysis of the modern state not only provides an optimal framework for theorizing the process of gambling policy formation, it also offers insight into the ongoing operation of the industry. In South Africa the Wiehahn report was codified as the National Gambling Act (NGA). The NGA passed easily through Parliament in 1996, as provincial lawmakers viewed casino taxation as one of the few forms of independent revenue generation available to them. While the initial projections of the Wiehahn Commission proved inflated—as of 2004 only 28 of the possible 40 casino licenses have been granted-South Africa's gambling market has proved quite large and stable, generating annual revenues of 6,230 million Rand and 580 million Rand in provincial taxes as of 2002. Meanwhile, the ANC, a party of black empowerment and socialist ideals, has unsurprisingly come under extensive criticism for its gambling policy. Journalists, politicians, and influential groups in civil society have publicly condemned casinos as an insidious form of regressive taxation that favors large corporations at the expense of consumers and small business. Insofar as such critiques were foreseen by party elites, the 1996 NGA represents an expenditure of surplus political and symbolic capital "bad press and fodder for competing political parties" exchanged for economic capital "taxes culled from corporate casinos."

It is thus that we can see too the ongoing relevance of the commission report for the functioning of the field. It not only produces a blueprint to maximize tax revenues, it also preempts attacks upon the industry's legitimacy. The requesting of submissions from all sectors of society produces an appearance of democratic processes of accommodating all interests, while its technocratic, objective tone produces an appearance of rational means-end reasoning behind policy decisions. After all, "the Board's calculations are based on scientific and empirical research" (Wiehahn, 1996, p. 203). These characteristics of the setting are even more important given the audience for the Wiehahn report, which was not, as in California, the public, but elites in the state and civil society. Especially for sympathetic elites within the field, such as regulators and heads of firms, the report offers a set of stock explanations as they continually labor to minimize damage to the industry's, and thus the party's, standing in their dealings with critics and the press. The rhetorical figure of the pathological gambler deflects accusations that gambling has negative social consequences, and the number of jobs created is routinely cited as evidence of the industry's positive developmental impacts.

In California, Tribes shaped casino policy only by first converting economic capital, gained during a decade of 'illegal gambling,' into symbolic capital. This was Prop 5's framing of gambling as a tool for getting Tribes off welfare, thus benefiting all of society. This symbolic capital was subsequently reconverted into economic capital through ownership and operation of a monopoly on casino gambling in the state. This conversion process did not end with the passage of the Tribal Gaming Initiative, however. While the industry has been lucrative, generating annual revenues in the range of 5,000 to 7,000 million dollars, it is also precarious. For, while the compact cannot be revoked, should other groups be granted permission to operate casinos in urban areas, Tribes would lose their competitive advantage. Part of Tribes' ongoing strategy as field actors is thus the continual reinvestment of casino profits for 'PR' purposes, especially TV advertisements. These ads echo those of the Prop 5 campaign, which is that limited, rural Tribal gambling advances the well-being of the entire state, especially through reducing welfare rolls. Like in South Africa, the exchange of economic and symbolic capitals here occurs not just at the moment of policy production but as part of the ongoing equilibrium of the industrial field.

#### ACKNOWLEDGMENTS

Parts of this chapter have been adapted from the following article: Jeffrey J. Sallaz, (2006, June), The making of the global gambling industry: An application and extension of field theory, *Theory and Society*, *35*(3), 265–297.

#### NOTES

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- 2. California Penal Code, 330-337.
- 3. California Penal Code, 330.11.
- 4. John Vorster, South African Parliamentary Debates, April 30, 1965.
- 5. State v. Ibrahim Houssein, South Africa JHB 7, 1990.

- 6. Reid [NV] US Senate Hearing, 1987, 100-341: 84.
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# Part II Gambling Scenes

# 4 Ethnography in a Casino Social Dynamics at Blackjack Tables

Richard A. Marksbury

## INTRODUCTION

In the past 25 years, the worldwide gambling industry experienced unprecedented growth and expansion. Especially in the United States, growth during this quarter-century was exceptional. By the early 1990s casinos operated in geographically disparate places like southern Mississippi, central Minnesota, western South Dakota, northern New Mexico, and eastern Iowa. By 2005, more than 800 casinos were open to the adult population. As part of the American landscape, gambling continues to grow in acceptance as a leisure activity (McGowan, 2004, p. 2). Casinos in the United States can be found in the midst of major urban centers, small towns, Indian reservations, and a significant number float and cruise the country's inland waterways, rivers, and lakes. These casinos represent a relatively new habitat for broad social interaction and ensuing research opportunities. In this chapter I propose that an anthropological research perspective and ethnographic methodology are well suited to mine these casino-based research opportunities in the process of discovery, exploration, and explanation of casino culture.

#### CULTURE AND ETHNOGRAPHY

More than any other social science, the distinctive element of anthropology has been its foundation and focus upon the concept of culture. To an anthropologist, culture is the result of social invention and is transmitted through communication and learning. Culture is learned and is not instinctive. It provides the 'blueprint' upon which humans construct their myriad societies. Anthropologists have a special way of looking at the world. Their observations focus on culture as the architect of human structures and behavior. Anthropologists look at culture as normative since it possesses stated or understood norms and standards of conduct that shape and limit behavior. Culture differentiates the world and provides a concept for understanding that differentiation (Mitchell, 1995, p. 103).

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Culture has never been an easy concept to define and has been cited as one of the two or three most complicated words in the English language (Williams, 1983, p. 87). Notwithstanding Laura Smircich's (1983, p. 339) opinion that there has never been a consensus among anthropologists regarding the meaning of culture, most anthropologists would agree that culture is learned behavior that is transmitted through symbolic communication and observation, and that it is shared. On the other hand, it is true that no single operative definition of culture exists. In 1952 Alfred Kroeber and Clyde Kluckholn found 169 different theoretical and conceptual approaches to studying the concept of culture. Following their extensive literature review, Kroeber and Kluckholn (1952, p. 181) concluded that:

culture consists of patterns, explicit and implicit, of and for behavior acquired and transmitted by symbols, constituting the distinctive achievements of human groups. Including their embodiments in artifacts; the essential core of culture consists of traditional ideas and especially their attached values; culture systems may, on the one hand, be considered as products of action and on the other as conditioning elements of further action.

Culture is not a variable; according to Kroeber (1917), it is the 'superorganic' transcending the organic. Kroeber considered the totality of culture to be greater than the sum of its parts. Concepts of culture center on the idea that human groups are unified and gain a sense of identity through a system of shared beliefs, feelings, and technology. As such, a particular culture cannot be designated as 'strong,' 'weak,' or 'superior.' Culture is not part of the environment in which human society operates, it is the environment in which human interaction is developed, refined, and delivered.

Extending beyond its anthropological roots, 'culture' has now come to be central to many distinct intellectual disciplines. In the twenty-first century, 'culture' has become multidimensional and therefore even more difficult to define (Alvesson, 2002, p. 30). For example, the emerging polysemantic evolution of 'culture' paved the way for Bate (1994) to equate culture, organization, and strategy, postulating that the concepts are congruent. Bate is one of several contemporary scholars interested in social dynamics and structures of corporations who now employ the culture model of ethnography.

A clear distinction exists between culture and 'a culture.' The culture of humankind is one, a single system that is self-contained and closed. However, the culture possessed by a particular tribe, clan, or region can be referred to as 'a culture' (White, 1959, p. 17). Does a specific casino 'have culture,' or is a casino 'a culture?' If a hospital, or school, or salted crisp manufacturer can be considered as individual cultures (Bate, 1994, p. 12), then most certainly the term can be used to categorize a specific casino. The distinction between 'have' and 'is' influences and shapes the research methodologies used by social scientists and applied organizational behaviorists. Using the cultural paradigm of the early twentieth-century ethnographers such as Malinowski, Boas, and Kroeber, casinos are not cultures. Yet, these scholars likely would have found it acceptable to propose that casinos possess certain cultural elements and are comprised of distinct subcultures. However, this perspective constrains the researcher from experiencing the richness of human interaction within casinos.

As the discipline expanded, a growing number of ethnographers broadened the application of 'culture.' Harris (1968, p. 16) offered that there is "no compelling reason for insisting that the culture concept be made to include theories of psychic unity, dependence on learning, and extrasomatic heritage." Categorizing a particular casino as 'a culture' fits well with the mentalist view of culture that views it as an ideational or conceptual system, i.e., "a shared system of knowledge and beliefs by which people order the perceptions and experiences and make decisions, and in terms of which they act" (Vivelo, 1994, p. 16). Accepting a casino as a culture frames the research study of social phenomenon within its walls and promotes it as a particular form of human expression (Smircich, 1983, p. 353). By embracing this perspective, social science gambling research can expand beyond its historical base, which is filled with studies on the gambling behavioral habits of individuals.

Anthropologists are no strangers to describing the cultural and social functions of play and gambling as institutions. Ethnographers and an increasing number of social scientists recognize that societal, cultural, and structural elements contribute directly to the nature, form, and prevalence of gambling within society (McMillen, 2007, p. 476). Gambling per se is not a culture unto itself just as kinship or warfare are not cultures (Smith, 1996, p. 102). An ethnographic study of gambling can examine it *in situ* as a social form embodied in everyday life (McGowan, 2004, p. 7). In that case, gambling is assigned the same denotation as other cultural and social institutions. In such studies, gambling is analyzed within a culture, and ethnographers can choose to focus on issues of gender, class, hierarchy, and power with regard to the place of gambling within a designated society (Oldman, 1978; Zimmer, 1987; Malaby, 2003). If a casino, in its entirety, is 'a culture,' then ethnographic methodologies are valid for casino-based research. Accordingly, an ethnographic study of blackjack is just as feasible and meaningful as the ethnographic study of kinship systems in Tahiti.

Ethnography springs from the taproot of social and cultural anthropology. Literally, the word 'ethnography' means to write about peoples, and within the discipline of anthropology, it refers to the descriptive study of individual human societies. Ethnographic research may include some theoretical framework, but for the most part, such research does not deal directly with theoretical problems. It is primarily descriptive. Its research methodology is based on a phenomenological-oriented paradigm, which means that it is inductive and makes few explicit assumptions about sets of relationships (Fetterman, 1998, p. 5). In the classic form, a trained anthropologist conducts the ethnographic

research engaging in careful firsthand study of patterned behaviors of a particular human group and their 'unique' culture. During the last quarter of the twentieth century, this traditional ethnographic methodology—and the term itself—underwent a transformation. No longer was ethnographic research the sole domain of anthropology, nor was its application limited to non-Western or small-scale societies. It was no longer simply descriptive following the emergence of spin-offs like 'narrative ethnography' (Goodall, 2004), 'reflexive ethnography' (Davies, 1999), 'design ethnography' (Barab, Thomas, Dodge, Squire, & Newell, 2005), and 'institutional ethnography' (Smith, 2005). Ethnography's applications broadened, and 'culture' gained currency beyond its original use in anthropology.

Subsequently, researchers who claimed no ties or affiliation with the field of anthropology sought to employ the research tools and methodologies of traditional ethnography employed by social anthropologists. By combining the use of the participant-observation methodology and utilizing a holistic approach, hallmarks of social anthropology, researchers from multiple fields produced ethnographies not of small-scale societies, but of corporations, schools, towns, and government agencies. An early entry into this arena was Deal and Kennedy's Corporate Culture (1982). Neither Deal nor Kennedy was an anthropologist, nor did they possess any formal training in ethnographic methodologies. Nevertheless, their descriptive analyses of various American corporations employed terminology generally associated with traditional anthropological studies of small-scale societies. Culture became the center of focus but the term took on new meaning with assigned nonanthropological characteristics such as 'strong' or 'weak' (Deal & Kennedy, 1982). Deal and Kennedy concluded that companies that compete more effectively in the marketplace are those that "cultivated their individual identities by shifting values, making heroes, spelling out rites and rituals, and acknowledging the cultural network" (1982, p. 15).

Today, corporations like Intel, Microsoft, and Wells Fargo employ ethnographers as key employees. Corporate cultures are created and imposed on a variety of individuals and groups irrespective of their interests, backgrounds, perspectives, and different degrees of access to power (Anthony, 1994, p. 97). Once corporations accepted the premise that they possessed unique cultures, they began to employ ethnographers to collect data, as well as to analyze and predict behavior. Although anthropology was the last social science to engage in organizational development and workplace research (Anthony, 1994, p. 21), corporate ethnographic research has moved from the margin to the mainstream of social sciences research in the last decade. In his 2006 article "Ethnography of Marketing" in the journal *Business Week Online*, Robert Berner states that for corporations "the new core competency is ethnography."

Every casino corporation in the United States has a definable organizational corporate culture. Large casino corporations such as Harrah's, MGM, and Wynn allocate significant resources developing, promoting, and preserving their brand identity. Associated with each brand is a unique set of values, history, symbols, and beliefs. Within Harrah's Entertainment, for example, there are three distinct casino brands owned by the corporation, Harrah's, Caesars, and Horseshoe. For each of these brands, there is a brand prototype with an associated management style. Following extensive community-based research and analysis, Harrah's corporate office determines which of its three casino brands represents the best fit for a newly selected location and market.<sup>1</sup> The corporate gambling philosophy is no longer, if it ever was, 'build a casino and they will come.' Rather, social and behavioral characteristics of potential gamblers are weighed as variables when decisions are made as to where to locate a casino and what its space should look like.

Corporate casino concepts of image and brand drive marketing strategies and shape physical environments within casinos. When mergers occur among the established industry giants, the lines of distinction become blurred. Partial assimilation, total assimilation, rejection, symbiosis, and rebellion represent possible outcomes of such mergers just as they represent the possibilities when two distinct cultures merge. Cultural phenomena exist in contemporary companies as much as they are found in small-scale societies (Alvesson, 2002, p. 28). Corporate culture studies of MGM or Harrah's are useful to expand our knowledge of social interaction within the workplace, but they provide little insight in helping us understand the social dynamics that take place within a given casino.

Small-scale human societies possess a single culture that might consist of various subcultures. Likewise, casinos are cultures with concomitant subcultures. The cultural footprint of any single casino is derived from the strategies, symbols, ideas, and values emanating from the corporate office. In addition to the 'top-down' dissemination of corporate culture, casinos are positioned through their unique space and customers to develop their own 'bottom-up' culture. The growth and expansion of the gambling industry led to casino culture transforming from a monolithic institution to one with significant diversity. Though the corporate blueprint percolates downward, casinos develop their own distinct ethos. That is, they have defining characteristics, beliefs, and a spirit that significantly or discreetly differentiates them not only from casinos outside their corporate families but from within as well.

#### CULTURE AND STRATIFICATION WITHIN CASINO SPACE

Like many public buildings, a casino is an environment that is socially constructed to serve as a place for human interaction (Gottdiener, 1997, p. 4). The casino represents an environment in which the visitor can escape everyday social situations (Dombrink & Thompson, 1990, p. 5). During his casino-based research, Oldman reported that he "found that to enter a

club was to escape immediately and gratefully from all other problems of my experience into an entirely controllable world" (1978, p. 366).

Many social settings are restrictive by nature since entry and participation is limited to qualified individuals and casinos make no such distinction, except for minimal age restrictions. Class distinctions within a given casino may exist but they are not generally obvious or readily apparent. Casinos, as social equalizers, operate with neutrality to traditional, outward markers of class distinction. Gottdiener agrees that perhaps the only exception to the segregation of class and race currently existing in the United States can be found in a casino (Gottdiener, 1997, p. 135). My research confirmed this perspective: Social interaction at blackjack tables was little influenced by social class or ethnicity. The casino environment serves the function of providing a substitute world in which natural and individual differences are abolished (Dombrink & Thompson, 1990, p. 2). It is the size of the wager that determines the gambler's physical playing place within a casino, not one's skin color, dress, speech patterns, or other typical markers of group identity and membership in American culture.

A significant portion of my ethnographic research focused on the four casinos located within the metropolitan area of the city of New Orleans, Louisiana. Riverboat casinos were established in New Orleans in 1994 and the land-based Harrah's casino in downtown New Orleans opened in 1999. Each of these casinos had a different parent corporation with concomitant corporate culture mandates. Even though they were not all located within the actual boundaries of the city of New Orleans, they were referred to collectively in tourist literature and state gambling reports as "New Orleans Casinos." Each was located in a distinct neighborhood whose demographics influenced the diversity of visitors and gamblers. Harrah's is a land-based casino located in the central business and tourist district of New Orleans, and it thus attracts a large number of tourists and conventioneers. It also draws from the immediate neighborhoods, which include people of wealth and extreme poverty. Bally's Riverboat Casino was located—it closed in 2005 as a result of declining revenue on a barge in Lake Pontchartrain within the New Orleans city limits, approximately 8 miles from the central business district. Bally's drew heavily from the nearby African American and Vietnamese communities. Boomtown Riverboat Casino, the largest riverboat casino in Louisiana, is situated on a barge in an industrial waterway in a suburb of New Orleans, across the Mississippi River and several miles, about a 15 minutes drive, south of the city proper. The immediate neighborhood of this casino is dominated by businesses serving the oil and gas industry, which employs a primarily blue-collar workforce. Treasure Chest Riverboat Casino is located approximately 15 miles from downtown New Orleans on Lake Pontchartrain and 6 miles to the west of Bally's. Its nearby neighborhoods include upper-middle-class and lower-middle-class areas and an emerging Hispanic community.

Even though all four casinos offered the same basic services and gambling opportunities and operated within a 15-mile radius of one another, the social and cultural experiences, which transcend the actual gambling activity, at each establishment were quite varied. Each of these four New Orleans-based casinos developed its own ethos that was either attractive (desirable) or unattractive (undesirable) to those searching for a place to tempt fate. The cultural attributes and social communities that are created within a casino are nurtured more by 'the who'—people—than 'the what'—gambling.

Social space is a social product and casinos are, in effect, social space (Lefebvre, 1995, p. 26). A casino does not just incorporate sections of social space within its walls. Rather, like a small village, an entire casino is a social space. Within any given casino there may be 'micro' areas of social space shaped and determined by variables such as betting amounts or types of gambling. It is revealing that in casino corporate jargon, defined and themed slot machine areas are referred to as 'communities.' Physical boundaries between these micro-spaces seldom exist, but the functions dedicated to these spaces differ enough to nurture various types of social interaction.

Social relations exist only in and through space (Lefebvre, 1995, p. 404). Casino space is dedicated to the two primary functions of entertainment and the promotion of consumption (Gottdiener, 1997, p. 75). A stroll through an elaborately themed casino can be self-entertaining, and individuals selecting this path become part of the social mix within a casino at any particular time. Though casinos are designed to be relevant to many different kinds of people, e.g., tourists, conventioneers, occasional gamblers, chronic gamblers, and voyeurs, the majority of casino social interactions involve people within the spaces dedicated to gambling (Gottdiener, 1997, p. 127). Individuals intent on gambling utilize the space within a casino to access and participate in an experience that generally contrasts with daily life experiences. Those who enter the space of a casino situate themselves into a particular defined micro-space of their choosing. Not only is the individual the subject, occupying a particular space, but the space itself serves a mediating role (Lefebvre, 1995, p. 183).

The manner by which casinos are divided into micro-spaces dedicated to specific gambling activities and wagering levels shares some similarities with the space constructs of small villages. A casino and village are physical entities that function on a 24 hour daily basis, year round. While both entities offer many public spaces, simply being within the physical boundaries of a casino or village does not guarantee access to the entire area. Within villages of small-scale societies, micro-spaces exist and may be off-limits to villagers who do not meet certain prerequisite requirements of age, sex, marital status, class status, or other predetermined measures. These microspaces (cooking areas, weaving areas, tool-making areas, men's houses, gardens, and religious centers), represent fertile grounds for the development of subcultural communities.

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Activities dictate purpose in these micro-spaces, but it is the community formed and the resultant social interactions that attract anthropologists and sociologists. Gambling and nongambling micro-spaces within a casino offer similar opportunities. Social interactions around a craps table are unlike those found at a blackjack table, roulette wheel, or poker table. One particular stratification of space—based on betting amounts—influences social interactions. Behavior at a 100 dollar blackjack table is very likely to be dissimilar from that found at a 5 dollar table. When one takes into account the location of a casino as well as the demographic profiles of its visitors, as discussed earlier with the four casinos in New Orleans, a unique social composite is produced. A casino's physical space, the individuals who enter its space, and the social groups formed within its walls combine to create, terminate, and shape myriad social exchanges and interactions.

## ETHNOGRAPHY AND SOCIAL DYNAMICS AT BLACKJACK TABLES

Since casinos are open to the general public 24 hours a day, 365 days a year, a holistic ethnography of a casino would be exceptionally challenging and impractical. Such ethnography would require data collection throughout the day and night and would incorporate all gambling areas at all wagering levels. In contrast, segmented ethnographic research focusing on one or more micro-spaces within a casino is a more pragmatic approach. An ethnographer might choose to focus on the 'ethnography of a poker table' or the 'ethnography of a slot community' or conduct comparative research at 5 dollar, 25 dollar, and 100 dollar blackjack tables. Each research opportunity encompasses social situations that vary and fluctuate according to such variables as time of day, amount wagered, and game being played. For example, social behavior, communication, and interaction at roulette differ from the social interaction at a blackjack table. While playing roulette, players may interact during the 'bet-spin-pay' sequence, but their interaction has no cause and effect on their winning or losing. On the other hand, players at a blackjack table are linked during the sequence of each round of play and their independent actions during play can have shared consequences on winning or losing. Parallel social situations in a casino's multiple microspaces will differ from one another, yet independently they should provide data on human behavior that yields some degree of predictability.

The focus of my ethnographic research was the community formed by blackjack players seated at the same gambling table. Ninety percent or more of blackjack players are recreational players, and given the nature of the game, with long pauses between play and shuffles, more conversation occurs at the blackjack table than at any other casino game (Humble & Cooper, 1980, p. 28). Sociologist Erving Goffman's article "Where the Action Is" laid the foundation for identifying groups of gamblers as forming a distinct social community. Goffman characterized gamblers in the following way:

Looking at where the action is, one aims at a romantic division of the world. On one side are the safe and silent places, the home, the well regulated role in business, industry, and other professions; on the other side are all of those activities that generate expression requiring the individual to lay himself on the line and place himself in jeopardy for a passing moment. (1967, p. 268)

While at the table and betting, blackjack players are laying themselves on the line and during that time they are all experiencing the same socialnot psychological-experience. In an early work on this subject, Stitt (1986) spent a number of hours at blackjack tables in Las Vegas focusing on 'conversational genres.' Although, the focus of his research was specific to verbal expressions at blackjack tables, Stitt recognized conversational and nonverbal subtleties between players of different skill levels. Playing blackjack, like playing other games of chance, often becomes a pretext for a contest or an exhibition that draws in the attention of individuals (Caillois, 2001, p. 48). The physical and social setting of a blackjack table allows for the presentation of any identity, such as cool, calculating, sociable, defensive, generous, or withdrawn (Oldman, 1978, p. 365). Blackjack players are linked together by a common goal and mutual responsibility for outcomes. Plaving blackjack in a casino is a social experience that has been socially constructed. It is a free and voluntary activity that is carefully and creatively isolated from the rest of life (Caillois, 2001, p. 6).

Over a three year period (2003–2006), I spent more than 180 hours at 5 dollar and 10 dollar blackjack tables in 17 different casinos. Sixteen casinos were in the United States, in four different states, and one was in Canada. Long before this casino research, I spent more than two years doing an ethnographic study of a small island in Micronesia in the mid-1970s. My training as an ethnographer included exposure to many research methodologies and tools that simply could not be used within the framework of a casino. Tape recorders, notebooks, cameras, and questionnaires are an ethnographer's everyday tools of the trade, which would not pass muster within a casino. I approached blackjack tables in much the same way as I did when I attended and observed a social event on that island 30 years ago. As a player and observer, my sole research methodology was that of participant-observation. When possible and practical, I recorded my observations in a small notebook that I carried in my pocket and later transcribed them.

Participant-observation requires that the ethnographer be involved in the culture under study while making systematic observations of daily activities and events. In order to conduct such research effectively, a delicate balance is required between participation (involvement) and observation

(detachment). Effective observation is virtually impossible without some degree of participation (Kaplan, 1984, p. 33). Whether the subjects under observation understand the research objectives of the ethnographer, the people being studied generally know the identity of the ethnographer, and they willingly respond to questions and allow him to participate in their culture. In other words, most anthropological ethnography has been conducted overtly. Overt ethnographic research within a casino is neither practical nor realistic. Sallaz (2002, p. 399) faced this issue when working covertly as a blackjack dealer, concluding it was the only way he could collect objective data for his research. Anonymity is highly prized within casino spaces and most gamblers would not agree to become part of an ethnographer's research project. Furthermore, a casino's management would not consent to open research within its space, especially if it involved asking intrusive questions to its customers. Consequently, casino-based ethnographic research must incorporate covert methodology, which means that the ethnographer spends an extended period of time in the research setting without revealing that he is a researcher (Bulmer, 1982a, p. 4).

Not all social scientists agree that covert research is acceptable. Many consider it unethical to watch people and record observations and then develop generalizations on such observations without declaring yourself or asking permission (Bulmer, 1982b, p. 219). Some view covert research as a form of exploitation as well as a betraval of trust in personal relationships (Davies, 1999, p. 55). Reaching a more practical decision, the Association for Social Anthropology (ASA) issued the following statement in 1987 as part of its Ethical Guidelines for Good Practice: "The deliberate deception of subjects is hard to defend, but to outlaw all deception in social inquiry would be unrealistic" (ASA, 1987, p. 5). Preserving the anonymity of subjects so that others cannot use the data against them is essential to doing covert participant-observation research. Ultimately, covert participant-observation is a matter for the conscience of the ethnographer and his own ethical judgment concerning what is possible and permissible in the field (Bulmer, 1982b, p. 247). The most compelling argument in favor of covert research is that it has yielded significant findings that would not have been possible without covert means (Bulmer, 1982b, p. 250). My research involved neither deception nor distortion. I did not pretend to be someone I was not. I gambled and either won or lost like the other players at the table.

Despite minor tabletop decorative differences, all blackjack tables look alike. A player can sit at a blackjack table in any casino and immediately feel at ease. The typical semicircular table is 72 to 82 inches wide, 36 to 46 inches high and 30 to 38 inches deep. Around the curved area of the table are player betting stations. The seat to the dealer's far left is known as 'first base' and the seat to the far right of the dealer is referred to as 'third base.' Traditionally, and for the purposes of my research, blackjack tables were designed to accommodate seven players. Thus, 'first base' refers to position one and 'third' base corresponds to position seven. The dealer is positioned at the rear of the table, along the straight side, behind the tray of chips. This arrangement results in bettors sitting very close to one another and at an angle facing the dealer. Only two players do not face the dealer: the two sitting in the number one position, 'first base,' and the number seven position, 'third base,' who face one another. Since blackjack betting moves from the dealer's left to right, the person sitting in the number one position initiates play and the player in the seventh position closes each round of play. Blackjack starts and ends at a given sequence. The field of influence of the blackjack table represents space that is restricted, closed, and protected (Caillois, 2001, p. 7).

When play or betting is taking place at a blackjack table, the space incorporating the table and players and immediate area around it creates a distinct social situation. Included within this defined space are the dealer, players, casual observers, and formal observers (dates, spouses, and friends) who are with the players. Goffman defined a social situation as any particular environment that lasts during the time that two or more people find themselves in one another's immediate physical presence and extends over the space within which the contact occurs (Goffman, 1967, p. 167) The total spatial environment of a blackjack table allows people to enter and leave at will, and upon entering, they become full members of the gathering (Goffman, 1963, p. 18). Membership in this social situation includes not only the dealer and players, but also those spectators within the spatial environment who are witnessing the play. Acting as the guardian of the situational order is the dealer, who enforces the rules of play and behavior. The level of participation among those present in a blackjack social situation is a personal choice determined by their motives, ranging from entertainment, simple curiosity, the desire to win money, or the thrill of the risk.

Although a blackjack table may seat seven players at a time, it is not a group game. On the one hand, for each player, it is as though no one else is at the table (Humble & Cooper, 1980, p. 29). On the other hand, there is generally more than one player at a table and play does not happen in a vacuum. The bonding phenomenon that all blackjack players receive through sharing a common experience partially fulfills the desire for social communication and interaction that attracts certain players to a blackjack table. The bond may involve gift giving, e.g., cigarettes, drinks, advice, or it simply may take the form of friendly social discourse. The bond(s) may be shared by all players or subsets of players. This may be based on age, sex, or ethnicity or it may cut across all such distinctions. If the bond is strong enough, it can become a force in retaining players at the table longer than they originally might have planned.

The game of blackjack involves chance, skill, and luck. Thus, the social situation at any given blackjack table includes individuals who are there to test some combination of their skill, endurance, strength, and ingenuity (Smith & Abt, 1985, p. 124). In describing why certain people look for action in life, Goffman noted that there is an attraction to situations that

lie outside the normal 'safe' world, which involve activities that generate expression and require the individual to place himself in jeopardy during a passing moment (Goffman, 1967, p. 268). "When people, separated by divisions of age, gender, class, race, occupation and intellectual temperament come together and discover deep-seated commonalities of personal experience, they often feel a sense of conviction rooted in something basic in their souls" (Lyng, 2005, p. 4). Blackjack brings people together who desire action and an audience, but beside that, they may share little to nothing in common. Yet, social bonding transpires during play and general patterns of behavior emerge.

In addition to creating a social situation, those in the immediate space of a blackjack table also form a speech community. 'Community' comes from the Latin word communitae meaning 'held in common.' All players at a blackjack table share in common the knowledge available to them pertaining to the communicative situations and options governing play, conversations, and gesturing (Saville-Troike, 2003, p. 15). The feeling of involvement and personal decision-making in blackjack is unmatched in almost any other table game (Humble & Cooper, 1980, p. 31). The actual elements of speech and gestures are less important than how they are learned, how they are taught, and the social situations involving action of teaching and learning. The personal depth and extent of knowledge a player brings to the table is related to any combinations of past experience gained through trial and error, direct observation, or from studying the game. By taking a seat at a blackjack table, a player has committed to becoming a member of a particular social situation and speech community. The degree to which the player participates in the situation depends not only on the player's willingness to engage in social discourse but the extent to which the other players at the table acknowledge and accept his presence. No matter the players' levels of experience, teaching and learning are constants at a blackjack table.

Play at a blackjack table is orderly and directly governed by proscribed rules or norms, though a certain degree of freedom of expression occurs throughout play. The level of social involvement of a blackjack player depends not only on his personality, but also on the actions of others within the ephemeral community surrounding the blackjack table. Furthermore, the actual seat occupied by a blackjack player is a determinant in the extent of social interaction that occurs. The four phases of play discussed by Goffman (1967, p. 184)-(1) squaring off, (2) determinism, (3) disclosure, (4) settlement—occur in rapid sequence during blackjack play. Players place their bets and are dealt two cards (squaring off). They then decide if they want an additional card (determination). They next need to show their cards to the dealer establishing the outcome (disclosure). The winner is established as either the player or house (settlement). Notwithstanding the need for a player to be attentive to his own decision-making and maintain an awareness of what the other players are doing, enough 'free time' still exists during play for social interaction.

Social discourse at a full blackjack table is difficult for two persons sitting side by side because the closeness and angle make such interaction awkward. Conversations at blackjack tables are usually kept impersonal and have little depth to them. In fact, it would be unusual for players to exchange names at any time during or between play. Some common unobtrusive topics of conversation include the weather, name of hometown, the previous hand of play, luck of the dealer, and seeking play advice. Open and direct criticism of play happens, but it is rare. Yet, these examples of phatic communication at blackjack tables pave the way to founding a community based upon sharing a fleeting experience while tempting fate or seeking an audience. The social situation at blackjack is somewhat unusual since no expectation or mandate decrees that those involved in the situation must socially interact with one another. The dictates of the game require a limited amount of interaction between a player and the dealer but do not dictate any interaction between or among players. For example, at a blackjack table involving five players, three may be fully engaged with one another and two may remain outside all levels of conversation. All are members in a social situation, but all are not actively engaged in interaction. In close encounter social situations, this type of behavior is unusual. A basic conversation between blackjack players is influenced by the constraints of the game itself and the social dynamic of the players at a table at any given moment of time (Stitt, 1986, p. 281).

When defined as a speech community, the blackjack table offers attractive research opportunities. For example, are there noted differences between players in the methods and means of communication based upon race, sex, age, or social class? In most social situations, the answer would be yes, but at a blackjack table, the answer appears to be no. Strangers at a blackjack table develop camaraderie with one another as a consequence of their joint and mutually visible exposure to fate (Goffman, 1967, p. 210). In other words, membership in the ephemeral blackjack community is a unifying principle unto itself and ascribed status characteristics appear to be insignificant. My research supports this contention. Free-flowing conversation never seemed to be hindered by a defining social or physical characteristic of anyone at the table. One could argue that individuals with such innate prejudices would not play blackjack, but that perspective seems illogical. Rather, it is more likely that such individuals put aside their beliefs in order to play blackjack. A casino may indeed be a social equalizer, but it is the mutual association of tempting fate that seems to allow people an opportunity to forget themselves and the prejudices they may hold. It is not unusual to observe two or more players at a blackjack table, who otherwise would be unlikely to associate with one another, sitting side by side, conversing, joking, and even casually touching. It was not the focus of my research, but the act of individuals leaving the world of stratification outside when they enter a casino to play blackjack merits further study and analysis.

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Within the blackjack speech and social community, the dealer might be compared to the conductor of an orchestra. A conductor enjoys visual contact with all musicians and directly influences performance. Likewise, the social and communicative skills of a blackjack dealer have a direct effect on the social situation at the table. The unobstructed visual contact the dealer has with all players makes this possible. During my research I observed dealers who exhibited extraordinary talents in their ability to engage all players in social discourse. Dealers who offer help and guidance to novices or hesitant players are well received by the other players at the table. Just as easily, a noncommunicative dealer can accelerate the exodus of players. On one occasion, I had been at a full blackjack table for more than two hours. Two dealers rotated shifts during that time and each was engaging. Playing the game almost became secondary to the social discourse. After two hours, a third dealer entered the rotation and the demeanor at the table shifted quickly. The new dealer was loud and very matter-of-fact. He was interested in doing nothing more than delivering the basics to the players. After he had dealt three rounds of play, all seven players who had been there for two hours had departed. I often wondered if this type of dealer is kept on the payroll to disband tables like ours.

In addition to the dealer, players positioned at 'first base,' position one, and 'third base,' position seven, have direct face-to-face contact. No other player positions duplicate this capability. The visual attention between these two players can be constant. Consequently, these two players may take more measures to avoid eye-to-eye contact than any other players at a blackjack table. Of the human organs, the eye has a uniquely sociological and anthropological function. The act of staring can be interpreted in many ways ranging from flirting, to threatening, to outright rudeness. A common belief found in many cultures is that harm may be brought upon another person through staring, or applying the evil eye (Maloney, 1976). In these cultures, great care is taken to avoid direct eye contact with people who are thought to have evil eye powers. More often than not, I observed players at first and third bases to be more likely than other players to drink, smoke, or divert their attention to a nongambling observer. Were they doing so to lessen eye-to-eye contact? I found these avoidance techniques to be more characteristic of Hispanic players than with any other identifiable ethnic group and in general, less common among women than men. Belief in the evil eye is very common among Latin American cultures. Cross-cultural comparisons of blackjack gambling in casinos where patrons are likely to have a strong belief in the evil eye versus those in which the evil eye belief is not part of the cultural blueprint represent another area requiring further investigation and study.

An additional feature of position one and position seven is that they represent the *alpha* and *omega* of play. At a full table, the dealer begins each round of play with the person situated at position one and deals last to the person situated at position seven. When called upon to make a decision, i.e.,

whether to take an additional card, players at positions one and seven are focal points for the entire community. The decisions they make are often viewed by the other players as having an instrumental and weighted importance to the particular round of play. Stitt found that players place special emphasis on the importance of play at 'third base,' commending good play quickly and readily criticizing improper play (Stitt, 1986, p. 287). As members of the blackjack community, individuals seated at position one and position seven are in essence the first among equals. This would hold true even at modified tables accommodating only five or six players.

A certain folkloric taboo status surrounds 'third base' or position seven that is widely recognized among players of all levels. Contrary to Darwin's theory of 'survival of the fittest,' animals that live in social groups, which includes humans, make self-sacrifices for the benefit of the entire group. Similar behavior is found within a blackjack community. Outweighing the mutual exposure that unifies all blackjack players during any given hand, the player occupying 'third base' may be expected to sacrifice his own hand for the benefit of others at the table! Such sentiments are often vocalized during play leaving little to no doubt as to the expectations placed upon the occupant of 'third base.' The social dynamics of a blackjack community demand different behavior and decision-making processes from the player who embodies the *omega* of play.

In Humble and Cooper's list of 11 myths about playing blackjack, myth number 10 states: "The player sitting at third base can have a greater effect on whether the dealer busts or not than any other player at the table" (Humble & Cooper, 1980, p. 50). Throughout history myths have been critical in maintaining social order and explaining the unknown. Since every single action by any blackjack player affects the outcome, the player at 'third base' has no more influence over the game than any other player. However, the lore and myth attached to 'third base' trumps mathematical facts or logical conclusions. The myth is so powerful that it can influence a player's decision to go against his own self-interest and it is strong enough to dissuade individuals from occupying this position. For example, during a hand in which the dealer's up card is a 2 and the player at 'third base' has a 12, Basic Strategy, or decision-making that will reduce the casino advantage as determined by the player's point total and dealer's visible card, calls for the player to request an additional card from the dealer. During my research, I found that only about a fifth of the players finding themselves in this position took another card! The overwhelming majority acted contrary to Basic Strategy recommendations and mathematical logic by not drawing an additional card. The myth is powerful, and the believers in the myth can and do influence play. One does not normally associate the game blackjack with social pressure but, depending on where a player sits, it is clearly a part of the game.

I learned this lesson the hard way during an early stage of my research when I was playing at 'third base' at a casino frequented mostly by local

blue-collar workers. I had been at a blackjack table for about 30 minutes and was doing my best to bet and play according to Basic Strategy. No one at the table seemed to have a problem with my play and at times the dealer even complimented my actions. A female member of an ethnic group different from mine joined the table at position two. When she sat down, the composition of players at the table was three white players and four black players. Within five minutes, she became openly critical about the play of her tablemates. Her criticism seemed independent of whether she won or lost a hand. It did not take long to figure out that she was not an adherent of Basic Strategy. Her style of communicating quickly altered the community that had been formed prior to her appearance. Three players left the table within minutes of her first diatribe. I remained and continued to play according to Basic Strategy. She made a negative comment about my play to the person sitting beside her but loud enough for me to hear. On the next hand I was dealt a 2 as my up-card. The dealer's up-card was also a 2. Basic Strategy called for me to take another card from the dealer and I did. I drew a 10 and 'busted' (lost). The dealer drew a 7 for a total of 19 and the inhospitable lady was sitting on 14. Her abusive comments were no longer offered in a general manner. She directed them loudly and directly at me. I was embarrassed but said nothing. She said that if I was not going to leave the table, she was, and she did. After she departed, the dealer and other players apologized for her actions and the dealer reminded me that I did the right thing by taking an additional card. The lesson I learned that day was that if you sit at 'third base' it is prudent to quickly surmise the character of your fellow players and play accordingly!

Unlike positions two, three, four, five, and six, positions one and seven are linked to an inherent status of difference. Thus, these two positions are generally the last to be occupied at an otherwise full blackjack table. When comparing the two, I observed that position seven, or 'third base,' is less likely to be occupied than position one. Moreover, players at positions one and seven are more likely to move to a recently vacated seat at the same table. Once again, this was more common for players at position seven than position one. I found that when six seats were filled at a table, the seventh seat remained unoccupied about a third of the time. This figure is statistically important since on a purely random basis, this position should be open approximately 14 percent of the time. Position seven is under a constant scrutiny by other players and it can be an intimidating experience to occupy this seat. As I previously noted, the novice player who sits at position seven and makes decisions contrary to perceived strategic play learns quickly that others at the table may be vocally critical of his decisions. The desire to tempt fate may carry a higher price at position seven. More often than not, the novice finding himself in this location will not remain long at the table.

Given that position seven is the seat least chosen, what are some common profiles of some typical players who opt for this high-profile position? First,

there is the serious bettor who follows Basic Strategy or some other betting formula who finds position seven to his liking. This type of bettor may wish to utilize the vantage point provided by this seat and actively engage the table in conversation and social interaction, or he may choose to be silent and reserved. Through effective communication, demonstration of aloofness, or complete indifference this type of player can overcome the expectations of others for self-sacrificing decisions. Another typical occupant of position seven is the casual, non-Basic Strategy player who plays for entertainment value and occupies this position simply because it is open. This style of player is more likely either to succumb to peer pressure and make self-sacrificing plays or he will make a quick exit. If this type of player has a quiet and reserved personality, the latter course of action is more typical. On the other hand, a charismatic and socially engaging player, even with poor blackjack skills, can survive at position seven if he engages the community and utilizes the power of position to his advantage. A third type represents something of a composite of the other two. This type of player utilizes Basic Strategy and is also seeking entertainment or interactive social experience. Unless this type of player has an extroverted personality, position seven would be his last choice. If a casual player is seeking a positive social experience at a blackjack table while adhering to Basic Strategy, position seven is not the seat to occupy unless every player is a greenhorn. My observations led me to conclude that whether it is a matter of self-selection or survivability, players at position seven are more animated and socially engaging than players at any of the other positions. Similar to the dealer, the player occupying position seven has an increased opportunity, especially when colluding with the player at position one, to engage the entire table in conversation and influence its life span as a unit.

I witnessed on numerous occasions players remaining at a table for extended periods, even when losing, if fully engaged at a socially dynamic table. The key players for creating and maintaining such an environment were usually those at position seven and one. I observed no evidence that age, sex, or ethnicity played a role in this determination. Rather, a player's personality traits, communication and social engagement skills were the primary contributing factors. Along anecdotal lines, I detected that 'extroverted personality types' were more likely to occupy and remain at positions seven and one for extended periods of time. This was more salient of position seven. Members of social groups look toward certain individuals to provide some components of leadership and establish an *esprit de corps*. As a defined socially interactive community, most blackjack players desire to see this role filled. At a blackjack table, the individuals occupying 'first base' and 'third base' enjoy a greater than average opportunity to assume this status. This should come as no surprise given the eye-to-eye contact between these two pivotal positions, their viewing angles of all players, and their respective roles as the alpha and omega players for each hand. They are the first among equals.

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The social considerations blackjack players extend to one another, such as respect, deference, indifference, or hostility, are not based upon discernable physical characteristics or traits. Nor are they necessarily based upon a player's skill in mastering Basic Strategy. Instead, behavior extended to a particular player is based on his ability to influence results in a positive, or at least neutral, manner. A player's ability, in this instance, is perceived. When there is a perceived mutual responsibility for outcome and the outcome involves a wager, a certain type of social dynamic is created. Inasmuch as the behavior connected to this dynamic is observable and seemingly transparent, it is the 'game behind the game' that offers insight into the less salient and observable forms of social interaction (Malaby, 2003, p. 86). Even experienced players often will succumb to the pressure created by this perception.

In December 2005 I visited Lake Tahoe, Nevada, and spent time playing blackjack at its four casinos. I returned in May 2006 and was surprised to see that blackjack tables had been converted to accommodate only five or six players. Position seven had been eliminated and the new configuration no longer had any two players facing each other with direct eye-to-eye contact. Through personal communication, the CEO of Harrah's told me that consultants suggested a reduction in the number of player positions would benefit the house though he declined to provide a detailed rationale for the change. At these reconfigured tables, 'third base' is now associated with position five or six and no longer positioned directly across from position one. In this new arrangement 'third base' has not been demystified since it still carries with it the aura of 'last play.' However, since it no longer enjoys the same visual vantage point, its occupant is undifferentiated from the other positions. In essence, a departure from tradition has taken place (Anthony, 1994, p. 57). Perhaps the house will earn more, but by eliminating such a socially pivotal position the interaction and communication dynamics at blackjack tables will be transformed.

#### CONCLUSION

Casinos are part of the American landscape. They no longer are in difficult to reach or costly to reach locations. The vast majority of Americans can leave their place of business or home and be inside the walls of a casino with minimal travel time. No longer can casino-oriented gambling be considered a marginal activity. It is a multibillion dollar industry that draws people to it from diverse economic and social strata. They provide a unique environment for social interaction and exciting opportunities for ethnographic research. It is essential to include casinos in the study of American culture due to their proliferation in the last two decades and due to their unique social spaces. Casino culture, and all that it encompasses, presents ethnographers with the prospect of conducting fieldwork in much the same way that trained ethnographers have done for more than a century. Ethnographic research within casinos allows ethnographers an opportunity to observe behavior related to gambling and then interpret it within its appropriate cultural framework. As Sallaz (2002) showed in his research, ethnography in casinos need not be limited to gamblers. Casino employee subcultures, such as blackjack dealers, also offer rich opportunities for behavioral studies.

Although casinos embody space that is controlled and defined, patrons who enter it to gamble experience levels of social interaction that are available in few other publicly sanctioned forums. The marginalized gambling spheres of the 1960s that Goffman saw as providing a locale for being pulled to action have been overtaken by a new wave of highly visible and more socially accepted casinos. For those people who seek an instance of action and a public audience, a casino provides an opportunity to display their behaviors and skills while escaping the more mundane world outside the casino's walls (Goffman, 1967, p. 237). Certain types of behavior are more socially legitimized and accepted within the confines of a casino than outside its walls. Today, casinos offer more to a gambler than the simple pursuit of action (Oldman, 1978, p. 364). They offer a validated and safe locale for social interaction that may or may not include the act of gambling. They have become perfect laboratories in which to observe wide ranges of social and cross-cultural interaction.

Within its carefully designed and manufactured space, a casino is an impersonal structure, yet its micro-spaces can generate social communities where bonding and interaction take place. These micro-spaces, such as blackjack tables, spawn socially interactive communities. The individuals who interact within the defined space of a blackjack table assume a certain social status determined by a position and its role. A mere change in position, such as a player moving from seat four to seat seven, will alter his status, change his role, and influence the behavior he sends and receives. Anthropologists traditionally focus on the individual to ascertain and explain behavior. Kinship, political affiliation, religious belief, age, and gender have been the primary focal points of anthropological research. Within the space of a casino, these metrics are secondary in defining and predicting behavior. In the case of a blackjack table, for example, certain positions come with certain behavioral expectations. I am reminded of an expression often cited by the islanders where I did my research three decades ago, "It is not the man who is chief, it is the land that is the chief and the man holding the land enjoys its power until he is gone" (Marksbury, 1979, p. 33).

Patterned behaviors in specific gambling micro-spaces, such as blackjack, emerge through cross-casino research. Scholarly research that focused on gambling exploded during the 1990s and was dominated by problematic and pathological gambling (McGowan, 2004, p. 1). Contemporary researchers can find new research avenues by focusing on group dynamics and behavior associated with casino-based gambling. Casinos present a challenging set of obstacles and complications for this branch of social science research. Yet they offer a uniquely structured and integrated environment in which to study human social behavior through ethnographic research. Ethnographers have often been faced with serious challenges while conducting field research. The very nature of casinos and the inferred wishes of its patrons call for an ethnographic research methodology that tilts more toward covert data collection. As gambling and casino culture become embedded into the American cultural mainstream this limitation may fade away.

A holistic orientation is a fundamental goal of classical ethnography, though most anthropologists in the field quickly realize the impossibility of describing a culture or community in its entirety. While a holistic ethnography of a casino is impractical, anthropologists should not overlook the opportunities casino culture and its subcultural micro-spaces offer for observing patterns of human behavior. Viewed anthropologically, human behavior within a casino may be revealed in new and exciting ways that complement our present knowledge and understanding of the human experience (McMillen, 2007, p. 481). Anthropology must ensure that it has a seat at the table and reestablish its perspective on culture and its relevance to the field of gambling studies. This is readily achieved through ethnography that is part science and part art and can be conducted in a variety of settings from a tribal village to a multinational corporation to a casino.

## NOTE

1. This information was provided to me by a Harrah's senior vice president during an interview.

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# 5 Making Friends, Making Money Macau's Traditional VIP Casino System

Wuyi Wang and Peter Zabielskis

## INTRODUCTION

Most societies have culturally specific ways of gambling. These can range from small-scale games in homes, villages, or streets, to large-scale, complexly structured organizations conducted in prominent venues or social institutions expressive of major investments of capital and labor. One would expect, and can find, a range of different, localized ways of organizing games of chance for profit, but among bigger players, the organization of casino gambling appears, at first glance, to be assuming dominance as a single global standard, prevalent in increasing numbers of glittering new venues worldwide. Beneath the apparent uniformity, however, there still lie cultural and social differences in the ways casino gambling is organized in different places. As an economic enterprise, any particular casino may perform the same or similar functions within a larger society as a casino anywhere else: It can be a boon to the local economy, a generator of government revenue, a tactic in the economic rivalry between places, or all three, but there still may be significant differences in the ways casinos work.

In addition to its economic functions, a casino is also a cultural carrierthe product of a specific social history with various levels of specificity that are local and regional as well as global. The global aspects of casino culture are the easiest to see. Walk into any casino anywhere and everything appears to be organized in much the same way, with similar games and procedures, cards and devices. An experienced casino gambler, with certain specific expectations, can travel from one side of the globe to the other, enter a casino, and immediately know what to do. At this level, the casino provides the player with a familiar playing field within a global, transnational casino culture. But look below the surface and further specificities abound, both in player expectation and organization. Though international standards exist, casinos are also run under more specific cultural premises that may not be so readily apparent. Love of gambling is entrenched in Chinese culture—a good reason for anyone to open a casino in the greater Chinese world-but more specific cultural knowledge is required to operate a successful casino. For example, in Nevada most casino revenue is from slot machines, but in Macau, most comes from baccarat tables. The difference is cultural. Americans like playing with machines but proportionally more Chinese than Americans prefer to play with people and not machines. But there can be deeper organizational differences, also based on specific, often very localized, cultural premises and preferences, and these differences may be among the most significant for the organization of casino gambling anywhere in the world.

This chapter is about the sociocultural principles at work in the organization of the traditional VIP casino system in Macau, a special administrative region (SAR) of the People's Republic of China. We call this system 'traditional' because it is unique to Macau and has been firmly entrenched as a major element in its local casino culture for decades. This tradition is changing in some of its aspects but its basic principles continue, and since 2002 it coexists with other contrasting systems that are not part of a local tradition, notably an increasing number of newly arrived Nevada-style casinos.<sup>1</sup> These later arrivals tend to follow an American or 'Western' style of management organization that may, in time, eventually overwhelm or supersede this older, but still highly profitable, way of doing business. Our argument here is that the way casino managers see the world has affected their creation of a longstanding organizational practice in Macau and that this practice reflects and expresses not only 'traditional' Chinese ways of doing business, but also some of the basic organizational principles of Chinese society itself.

Despite ever-increasing integration into global economic systems and international standards, contemporary business practices in the greater Chinese world retain many distinctive characteristics and organizational principles that continue to reflect the way Chinese people in China and elsewhere have long gone about doing business—so much so that 'Chinese capitalism' has been identified as a distinct form (Hefner, 1998; Redding, 1993). In contrast to the professionalized, legal, impartial, and largely impersonal structures associated with Western business practices, Chinese and other Asian ways can be very different, based on different sets of premises and guidelines that may be equally normative but much more informal, and often personal in the extreme. According to some, bureaucratic organization itself was perfected, if not invented, in imperial China, with an elite civil service filling well-defined roles in a highly structured and professionalized management machine. But this way of doing things, perhaps more ideal than real, never extended outside the sphere of government (Redding, 1993, p. 135). Growing out of a long history of family-based enterprises staffed primarily by immediate, extended, or fictive kin, many Chinese businesspeople today, whether running a family firm or not, prefer to keep at least certain things personal, informal, and even intimate, with rights and responsibilities flexibly or contextually defined, tacitly understood, and largely unwritten. Some Chinese traders have explained that a greater sense of satisfaction, security, and comfort is possible in working with people one knows rather than with strangers (Tong & Yong, 1998, p. 82), but this

entails much more than emotional preference. Despite the ready availability of a range of internationally standardized organizational paradigms, there remains a vibrant strain of Chinese business culture in which personal relationships and confidentiality among intimates are highly valued, written commitments are thought to limit one's sense of personal freedom, and agreements are preferably a matter of a handshake and the giving of one's word, and not any formal written contract. Loyalty is more important than skills, and networks of relationships are more important than institutional structures (Redding, 1993, p. 135). What makes this tradition significantly different from other, Western practices is that both trust and risk—key to any business activity—are vested in personal relationships between individuals and not in any formal bureaucratic, financial, or legal system.

The distinctive feature of Macau's traditional VIP casino system-and what distinguishes it from other systems—is that it shares this way of placing trust and risk not only with traditional ways of doing business, but also with a number of principles basic to Chinese society itself. We argue that this is the secret of its success and why the traditional VIP casino system has continued to be so profitable despite the rise and coexistence of other, competing, business organizational paradigms of nonindigenous origin. The advantages here include not just the stability of cultural familiarity in a rapidly changing business environment, but also the ability to quickly mobilize capital and credit as needed in order to take advantage of opportunities to expand. Casinos in Nevada and elsewhere in the West are subject to strict government controls that require, among other things, background investigations of all management personnel. They are also run in ways that keep everything fully documented on paper and legally traceable. Things work differently in Macau, at least in the Asian-run casinos, where casino bosses run their operations and choose their key staff based on networks of personal acquaintance and, at least until 2008, little or no paperwork, judicial involvement, or government interference. Each set of practices represents a particular and specific type of social organization based on different cultural premises. Ultimately, when the chips are down, Americans can rely on an impersonal legal system, but Chinese in Macau place greater trust in something else-connection to networks of 'friends.' In Chinese culture and society, this relationship is not as simple as it may seem, and it lies at the heart of the way in which Chinese people have long done business and how many continue to make money just about anywhere in the world. What keeps this system going is the same as that which provides coherence and stability to Chinese social organization in general: a form of personal trust in individuals rather than a systems trust in any formalized bureaucratic organization. This can be considered a different system of trust than is common in the West. According to social theorist Fei (1992), Chinese society is one in which "considerations of order, not laws, predominate" and maintaining this sense of order means that "each person must uphold the moral obligations of his or her network ties" (Hamilton

& Zheng, 1992, p. 24). This deeply felt link between making friends and making money is key to what makes Macau's traditional VIP casino system so successful.

Every casino has two basic types of customers-high rollers and low rollers—but the way in which Macau's gambling industry deals with people willing to wager large sums differs significantly from casinos anywhere else. In Macau, gamblers are categorized into two groups: 'VIP players' and 'mass-market' players (Eadington & Siu, 2005). Each has separate facilities. Anyone willing to gamble can walk into a casino and play in any of its public areas, but players previously recognized as high rollers are ushered into separate VIP 'clubs.' These clubs or rooms are separately managed, individually named, often uniquely decorated, and most are located on upper floors or mezzanines overlooking the rest of the action on the main casino floor. Macau's casino industry thus already operates under multiple systems-a VIP system and a mass-market system. The mass-market system is quite similar to the way casinos are organized in Nevada, but the traditional VIP system is so uniquely complicated and so specific to Macau that its counterpart cannot be found anywhere else in the world. Many casinos depend on high rollers for a good percentage of their income, but the success of Macau's VIP system is astounding. This is a system that works. For many years almost 70 percent of gambling revenue in Macau has been generated by its VIP rooms (Wang, 2005a). The success of the system is a product of Macau's unique social history, a Chinese culture shared by millions in the region, its geopolitical location as a jurisdiction separate from its neighbors, and the creativity of the management of Macau's first gambling concession. Chinese-owned casinos tend to keep running VIP businesses along traditional lines, but foreign investors, even if they understand the basic principles of this localized, culturally specific, and guite complicated system, are trying not to get involved with it. It remains an open question, however, whether any single way of organizing high-end business, or even casinos themselves, will win out in the end.

Following a detailed description of the origins of Macau's VIP system and how it works, we turn to why this unique form of casino organization has been so successful. Of theoretical relevance to our discussion are firstly Mauss (1970), on the solidarities and obligations created through gift exchange; secondly Bourdieu (1977, 1986, 1990), on various forms of capital—cultural, social, symbolic, economic—and the processes whereby one type can be transformed into another; and thirdly Hamilton (1998), Hefner (1998), Redding (1993), and others, on the social and cultural specificity of Chinese forms of capitalism itself.

The research for this chapter was conducted over the course of two years (2004–2006). Fieldwork consisted of multiple, informal qualitative interviews—usually over lunch or dinner—with over 20 gamblers, 20 individuals working in various aspects of casino management for three different gambling companies,<sup>2</sup> numerous interviews with regulators working for

the Macau government,<sup>3</sup> and participant observation by the first author. Conversations ranged from approximately 30 minutes to an entire day, with several hours being typical. Participant-observation included accompanying a mainland Chinese VIP gambler as he was picked up at Guangzhou airport by his 'VIP-customer representative' and driven to Macau, as well as acting toward additional representatives as a potential VIP-room customer. Working with these representatives was the most challenging part of the research since none of them ever identified themselves in that role or clearly communicated their intent to solicit players for VIP rooms. The researcher, of course, did not intend to participate in any actual high-stakes gambling. Documentary sources consulted include casino regulations promulgated by the Macau government and written contracts between casino managements and VIP-room contractors.<sup>4</sup>

#### GENESIS, KEY ELEMENTS, AND EVOLUTION

The origin of Macau's traditional VIP casino system can be traced back to 1970, when Stanley Ho's Sociedade de Turismo e Diversões de Macau (STDM) opened the Casino Lisboa under a monopoly concession from the Macau government. This was an important milestone marking the modernization and standardization of Macau's casino industry compared to its unsophisticated gambling booths on the streets, legal from 1847 to the 1930s, exclusively for the game of fan-tan. As the largest hotel-casino in Asia, and the only one in the immediate region, it created a 'must-see' effect that attracted many gamblers from Hong Kong, who traveled by ferry to the new venue. Ferry terminals on both sides of the Pearl River delta became crowded and ferry seats were in short supply, creating opportunities for ticket scalpers. A lively underground market developed, largely controlled by gangsters who would buy tickets from the ferry ticketing counter at face value and sell them at substantially inflated prices to willing passengers. Obviously, this was not good either for the ferry company or the casino, both of which were owned and operated by STDM.

A resolution to the problem was suggested by the management of STDM, who offered the scalpers a deal. If they would cease their activity and leave the ferry terminals alone, STDM would open the doors of the casino to them and allow them to make money there, which would ultimately be more profitable than ticket dealing. In proposing its solution, casino management was not only recognizing that the energies of outside entrepreneurs could be put to good use for its own ends, it was also giving an additional function to an item preexistent in its organizational structure: the 'dead chip.' In time, outside entrepreneurship that saw little direct involvement from casino management would become the foundation of Macau's lucrative and unique VIP-room tradition, with dead chips as its primary lubricating mechanism.

# The 'Dead Chip'

Management's initial solution to the ferry ticket problem was pure expediency: Give the scalpers something better to do. The solution they offered was that the ticket dealers would be allowed to sell 'dead chips' inside the casinos (Leong, 2002). The scalpers took the deal, left the ferry terminals and became known as 'dead chip dealers'—a role that would eventually be expanded and transformed as Macau's casino culture developed into its current two-tier system of 'VIP' and 'mass market' (Liu, 2002).

A dead chip-also called a 'clay chip,' 'nonnegotiable chip,' or later, 'junket chip'—is simply a chip that can not be redeemed for cash. Dead chips are usually marked on the bottom with two Chinese characters (ni *ma*—'clay chip'). Their only use is in gambling play, they are not cashable or refundable. In the early days, interest-free loans made by the casino to players were usually in the form of dead chips to assure that such loans would only be used for gambling. The purchaser of dead chips, for example, could not immediately go to the cashier's cage, exchange them, and thus obtain a 'free' loan of cash. Because it is less financially flexible, the logic is that the price of a dead chip should be cheaper than a regular chip. The deal offered to the former scalpers—now 'dead chip dealers'—was that they could make money by 'chip rolling.' They could buy dead chips at a discount on the price of regular chips and sell them to casino customers for full value, thus pocketing the difference. Traditionally, the rate has been 0.7 percent but has recently been getting higher due to inter-casino competition (Wang, 2005b). The following is an example of how this early form of the system worked:

The dead chip dealer goes to a particular casino cage specifically reserved for transactions with dead chip dealers and buys dead chips at a rate of 99.3 percent of the face value of regular chips. This 0.7 percent discount is referred to as the 'rate of dead chip commission'-the amount the dealer will receive when he sells them at face value. With the dead chips in his pocket (dead chip dealers are men), he wanders around, both in and out of the casino, hoping to find and accost high rollers. The baccarat tables are good places to look, since this is the favored high-stakes game. The chip dealer locates his target customer and makes 'friends' with him by helping and serving him. In return for the 'friendship,' the customer agrees to buy dead chips from the chip dealer at a one-to-one rate instead of going to a casino cage to buy regular chips. This does not make any difference for the customer because dead chips and regular chips function the same on all gaming tables. Assume that the customer has a gambling budget of one million Hong Kong dollars (still the common currency for most casino gambling in Macau) and has bought that amount of dead chips from his friend. The dead chip dealer has received HK\$1 million from the customer, but he only paid HK\$993,050 for the chips, clearing a profit (before friend-making expenses) of HK\$6,950.

One should keep in mind that it is not easy to find a millionaire gambler. For most dead chip dealers at the time, catching a customer like the one in the example once every few months would be considered lucky. If the dead chip dealer can make only HK\$6,950 (approximately US\$848) in that amount of time it would not be a very profitable business. In practice, far larger 'commissions' for the dead chip dealer were also possible, even with smaller initial purchases by the customer, due to further elaborations in the use of dead chips known as 'chip washing' and 'chip rolling.'

# 'Chip Washing' and 'Chip Rolling'

Gamblers can bet at a table with either dead chips or regular chips, but when they win, they are always paid in regular chips. Most gamblers do not stop betting when they have 'washed out' their dead chips, i.e., converted them all to regular chips via winnings. Instead, they would usually continue betting with their just-won regular chips. This is when the dead chip dealer steps in. He now has an opportunity to make even more money in a process known as 'chip rolling'—repeatedly exchanging his customer's regular chips for dead chips, or, in other words, replacing the regular chips the customer has won by betting, and sometimes losing, dead chips:

While the 'customer' gambles at a baccarat table, the dead chip dealer stands by him. When he notes that his customer has just lost all of his dead chips and is about to use his just-won regular chips to keep betting, the dead chip dealer proposes: "Hey friend, don't do that. I have dead chips here for you. Give me your regular chips. It does not make any difference to you, but it makes some difference to me." Through repeated win-and-lose rounds, the dead chip dealer makes more and more money each time by exchanging regular chips for dead chips.

Even if the customer loses, say, HK\$1 million in gambling, the dead chip dealer is the winner of another game called dead chip rolling. Whether the customer ultimately wins or loses there is no upper limit on the amount the dead chip dealer can pocket though this process. His profit depends on how many win-and-lose rounds have occurred in the course of gambling. If the customer who has bought the million dead chips is very unlucky and keeps betting dead chips until he exhausts them without winning any regular chips, then the money the dead chip dealer has made from the customer is just his commission of HK\$6,950 on the initial sale of one million dead chips. If, however, through multiple rounds of winning regular chips, exchanging them for dead chips, and losing only those, the dead chip dealer stands to pocket a considerable part of the million dollars. Suppose a total

of HK\$20 million has turned over by the time the customer has finished his round of gambling. If that entire amount was wagered in dead chips, then the dead chip dealer would have earned HK\$139,027 (US\$17,378) in commissions.

## The Traditional System

In its early years, dead chip dealing was basically an inside-the-casino endeavor. However, as more and more entrepreneurs became dead chip dealers, competition in the business of making friends became more intense, and success at it became harder to achieve. Dealers began to travel to other cities and countries to make such friends and recruit them for trips to the casino.

Initially, the casino just had to tolerate a few dozen dead chip dealers in return for their agreeing to stop scalping ferry tickets, but once the dealers realized they could go abroad to recruit, thousands more became involved (Liu, 2002). The dead chip market expanded dramatically. STDM understood that, on their own, dead chip dealers had transformed their role into voluntary marketing agents for the casino and that they were doing this at their own expense, but it was having difficulty dealing with so many entrepreneurs. Chip washing and rolling was benefiting primarily the chip dealers, not the casino. On their side, chip dealers realized that, by traveling further and further afield to find customers, they faced increased costs. Chip dealers were paying for the transportation, lodging, and other expenses for their potential customers—as part of the friendship making process—before making any money from them through dead chips. This resulted in pressure to increase the discount at which they bought dead chips, which, again, was not good for the casino.

Some kind of mechanism or institutional organization needed to be established to recognize and protect the interests of both parties. Casino management needed to be assured of stable discount chip prices and certain returns in an expanding market, while the chip dealers needed some sort of protection for the hard-won and increasingly geographically distant relationships they were establishing with their customer friends. Resolving these issues led to the informal institutionalization, in the 1980s, of Macau's traditional VIP system, which still functions successfully today. This is an organizational system that has worked well for over 20 years and is responsible for most of Macau's total gambling revenue. It is an integral part of the tradition of casino culture in Macau.

The new organizational idea was simple. There would be one key, new, semi-formalized role added to the system. Dead chips and dead chip rolling were retained but now there would be 'VIP' players gambling in separate 'VIP rooms' that would be contracted out to 'VIP contractors'—this was the crucial new role. These contractors would manage the rooms as their own enterprise and at the same time assure the casino of a certain return. The 'new' system created what would become a long-standing, but still largely informal, organizational structure that clarified the roles of all concerned. 'Dead chip dealers,' who previously made money only for themselves, became what we call here 'VIP-customer representatives' who also made money for the casino and for the person or persons now occupying the key role of 'VIP-room contractor'—the only player in the system who has any kind of contract with the casino but who is still self-employed. As we will see, the clarity achieved by this resolution is a far cry from the way most business structures are organized in the West.

# A SYSTEM THAT WORKS

For more than four decades there was only one casino company in Macau— STDM, succeeded by its wholly owned subsidiary Sociedade de Jogos de Macau (SJM) in 2002. STDM was the inventor, designer, organizer, and operator of the VIP-room contractual system, which it has successfully run for many years. The design of the system is complicated. There are three major features: dead chips, VIP rooms, and VIP-room contracts. The main players are the casino, VIP-room contractors, VIP-customer representatives, and VIP customers. The following is an outline of how all these elements work together.

## VIP Room

A VIP room is an individual casino compartment designed exclusively for the use of VIP customers. Many are individually named and decorated. Under the VIP-room contractual system, a VIP room has its own cashier's cage that functions as a financial vehicle between the casino and the VIProom contractor. Its window is open to VIP-customer representatives only. VIP customers have nothing to do with this cage and they do not handle any cash. All properties of the VIP room belong to the casino. The gambling dealers and the managers are employees of the casino, and all the gambling operations are run by the casino. Only the marketing of the VIP room has been contracted out to the VIP-room contractor.

# **VIP-Room Contract**

A VIP-room contract is usually the only paper document in the entire system akin to a legal document. It is a written agreement between the casino company and a VIP-room contractor that defines the terms of the rights and responsibilities of both parties. This document is worded on a room-by-room basis. There is no standard version of a contract. Typically, casino management and a VIP-room contractor would reach an agreement on five points. First, the minimum dead chip sales: The VIP-room contractor guarantees a minimum amount of dead chip sales during a certain period, usually a

month. If the contractor does not accomplish this minimum amount, he or she can be 'fired' by the casino. Second, the over-sales reward: If a VIP-room contractor sells more dead chips than the promised minimum amount, the casino will reward the contractor for the part of over-sales. The reward percentage varies depending upon market situation but could be as high as 1.5 percent of the amount of dead chips sold. Third, the dead chip commission rate: A dead chip commission rate must be stipulated within a VIP-room contract. The dead chip commission rate was for a long time steady at 0.7 percent. However, since 2005, when the 'Sands Macau' and then others entered into the VIP-contract business, the rate has been pushed upwards. Fourth, the leftover revenue share: This is the amount 'leftover' after the government extracts its tax from casino win-gross revenue-after VIP-customer representatives are paid their dead chip commissions, and after the VIP-room contractor takes the over-sales reward.<sup>5</sup> This 'leftover' is shared between the casino and the VIP-room contractor. Normally, the casino takes 70 percent and the contractor gets 30 percent of this residual. A VIP-room contractor makes money mainly through this source. Fifth, the deposit: The VIP-room contractor must keep a certain amount of cash as a deposit with the casino, varying from several million Macau patacas (MOP) to hundreds of millions, depending on the room and market conditions, as a prerequisite to contract a VIP room. This is to protect the casino from possible credit risk. The deposit constitutes a ceiling of the dead chip credit transactions between the casino and the contractor. The casino never lends dead chips to VIP-room contractors in an amount over that which they have deposited.

# **VIP** Customers

In Macau, the term 'VIP customer' has a specific definition, which is not the same as the term 'high roller.' A VIP customer must meet two conditions. First, a gambling budget of at least HK\$500,000 (about US\$62,500) per trip. Second, such a player must be recruited, ushered, and financed by a VIP-customer representative in order to play in a VIP room. VIP customers do not generally handle or transact any cash in a VIP room. Their play is financed through dead chip loans.

Before 2002, most VIP customers were from Hong Kong. In the beginning of 2004, however, the central Chinese government launched the so called 'free individual travelers scheme' (FITS), which relaxed travel restrictions on individual travelers to Hong Kong and Macau. This significantly changed the geographic structure of the customer base. Now, over 80 percent of VIP customers are from mainland China.

# **VIP-Room Contractors**

The VIP-room contractor plays a pivotal role as the interface between the casino and VIP-customer representatives. VIP-room contractors can be

either natural persons or legal persons, such as corporations or companies. Verv few contractors are women, but this role is, interestingly, the only one in the VIP system, apart from casino staff, where women do participate. The contractor is the fabricator, organizer, and maintainer of the interpersonal web of VIP-customer representatives who do most, often all, of the actual legwork in obtaining customers. Contracting a VIP room requires not only a substantial amount of start-up money to be held by the casino as a deposit, but also good people-management and interpersonal problemsolving skills. Part of the rationale in establishing the role of contractor was to protect the relationships with customers that representatives worked hard to establish. Problems and potentially dangerous situations can arise if a customer is 'scooped,' innocently or not, by someone else. A contractor must not only manage his or her own representatives and protect them from each other but also assuage possible turf wars or threats of violence that may arise when representatives working for other contractors attempt to scoop customers for their own rooms. Contractors also bear the greatest amount of financial risk in the entire system since they are loaning dead chips to all of their VIP-customer representatives.

# **VIP-Customer Representatives**

A VIP-room representative is a self-employed person who recruits VIP customers and earns money by selling them dead chips, and potentially large sums through the repeated washing and rolling of chips during gambling play. As explained earlier, VIP-customer representatives evolved from being dead chip dealers who primarily approached customers already in the casino to independent entrepreneurs who recruit customers from a distance at their own cost and risk. VIP-customer representatives thus are not only dead chip dealers but also marketing agents for the casino. They are always men. VIP-customer representatives typically work with customers in the following ways.

First, in targeting: A VIP room is a contractor-centered team. However, in some cases, a VIP-customer representative will also have a team of his own. For example, a VIP-customer representative would open a travel agency in a major city and hire or collaborate with local travel representatives who work with them. In the 1980s and 1990s—when the major market for Macau's casino industry was Hong Kong—most VIP-customer representatives worked on an individual basis. Usually, one individual would go back and forth between Hong Kong and Macau and do all the recruiting work himself. Now that Macau's major gambling market has shifted from Hong Kong to mainland China, such processes have become more complex. Representatives whose native language is Cantonese and who do not speak Mandarin are now either learning Mandarin or are organizing their own bilingual teams if they want to stay in business. A new term in Mandarin—'*boja*'—has been coined for assistants to VIP representatives, which literally means 'porter.' More and more representatives are now mainlanders themselves who focus

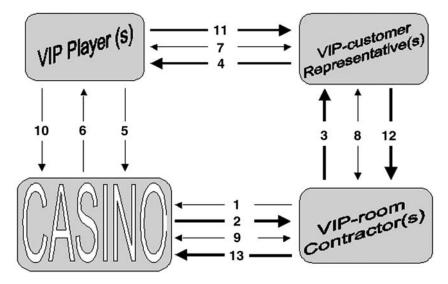


Figure 5.1 Transaction Flow of VIP-Room Contractual System.

on particular geographical areas in China. Their regional language proficiency and stock of local knowledge are useful in scanning particular locales for people who are both rich enough and inclined to be VIP customers. When a VIP-customer representative or his team find such a target, the next step would be to contact him and establish a friendship.

Second, in friend making: Very few representatives tell their targets their real intentions up front unless the target actively brings it up. Usually the recruiter mentions only that he is running a travel agency specializing in Macau. If the friend-making process is successful, a free trip to Macau, accompanied by the representative, will be proposed. Precise knowledge of how VIP-customer representatives recruit customers is not common knowledge and may not always be freely shared, even among friends who are also gamblers. Many high rollers also prefer to keep their activities secret, even from their own families.

Third, in ushering: On the way to Macau, the representative pays all expenses, including transportation, accommodation, and entertainment. When arriving in Macau, a casino visit will be proposed. Once a casino visit is confirmed, a visit to the VIP room will be further proposed. If agreed upon, the successfully recruited customer will then be escorted into the VIP room with which the representative is affiliated.

Fourth, in the free dead chip loan: This step is when the customer is initially informed of the VIP-room policy. His gambling budget must be at least HK\$500,000. This is also the moment when the representative finds out whether or not his targeting strategy has worked. If it turns out that the wrong person has been targeted—one who is either not rich enough, not interested in gambling such a large sum, or not willing to borrow that much money—then all efforts undertaken and costs expended by the VIPcustomer representative will have to be absorbed as losses in this particular Transaction 1: The VIP-room contractor puts a deposit into the casino's account.

Transaction 2: The casino lends dead chips to the VIP-room contractor.

Transaction 3: The VIP-room contractor lends dead chips to the VIP-customer representative.

**Transaction 4:** The VIP-customer representative lends dead chips, just borrowed from the contractor, to his customer, the VIP player.

**Transaction 5:** Using the borrowed dead chips, the VIP player starts gambling with the casino.

**Transaction 6:** The player accumulates regular chips by winning them from the casino during play.

**Transaction 7:** The VIP-customer representative starts dead chip 'rolling' by standing by the player and exchanging the player's regular chips with dead chips. The double arrow indicates the exchange of regular chips going to the VIP representative for dead chips that go to the player.

**Transaction 8:** The VIP representative sells the regular chips that he has just 'bought' from his customer through transaction 7 to the VIP-room contractor, receiving the equivalent amount of dead chips plus commission.

**Transaction 9:** The contractor sells the regular chips that he just 'bought' from his customer representative through transaction 8 to the casino for the equivalent amount of dead chips plus commission.

**Transaction 10:** The player continues to bet using the dead chips acquired from his representative in transaction 7. When he runs out of dead chips he can either decide to quit or continue the cycle by acquiring more dead chips. **Transaction 11:** The VIP representative collects debt from the customer—which was created by transaction 4—regardless of whether the customer has won or lost.

**Transaction 12:** The VIP representative pays his debt—which was created by transaction 4—to the VIP-room contractor.

**Transaction 13:** The VIP-room contractor pays the debt—which was created by transaction 2—to the casino.

Note: The thicker lines represent credit transactions.

endeavor. On the other hand, if the customer agrees to the terms, a free (no interest) dead chip loan of, say, HK\$1 million will be offered. If accepted, the VIP-customer representative then provides the loan in the form of dead chips that he himself has borrowed or purchased from his 'boss,' the VIP-room contractor. At this point, the VIP-customer representative has made his first commission money, against the dead chip loan, of approximately HK\$7,000. Whether this commission will actually be realized by the VIP-customer representative depends on whether the loan he has given the customer is successfully repaid, either immediately from winnings, or collected later. Most loans to losing customers are repaid in the player's home city.

Fifth, in dead chip dealing: The customer is next ushered to a baccarat table and starts his venture. This is when the representative has an opportunity to really make money through chip washing and rolling. In this context, he has returned to the old role that his predecessors followed—a dead

chip dealer. This is the backbone of the VIP-representative's business, which is why Macau society still refers to them by their old title *damazai* ('dead chip dealers'). Throughout gambling play, the successful recruiter stands by his friend with some dead chips ready in his pocket, waiting for the player to wash out his current stock of dead chips, and he offers to replace the regular chips the player has won with dead chips. Both men are keen on the game but with different goals. The gambler just wants to win, but the VIP-customer representative hopes that there will be extended rounds of winning and losing. If the player wins, the debt would be paid off right away, and the representative can expect a generous tip. If the player loses, the representative could still make some substantial commissions if there have been multiple cycles of wins and losses before the final reckoning. The reality of casino gambling is that losers are more common than winners, so most cases would have to go to the last step—debt collection.

Sixth, in debt collection: The venture has ended and the HK\$1 million have been lost. The player should pay it back to his representative. Yet, like many debtors, he may not immediately be willing or able to do so. Nevertheless, defaulting on such loans is rare. How are such debts collected? In terms of paper trails, the entire organizational process has hinged on only one quasi-legal document—the contract between the casino and the VIP-room contractor. Everything else depends on informal, paperless agreements, with perhaps some simple bookkeeping. Table 5.1 outlines the complex set of transactions and loans between the casino and the VIP-room contractor, the contractor and the representative, and the representative and the player.

Significantly, a player who borrows money to play in a VIP room, and then loses it, is not indebted to the casino—only to the friend who has brought him there. VIP-room representatives who make such loans are not loan sharks. They are performing recognized roles within a recognized business organizational system that is both culturally specific and socially sanctioned. They do not have to resort either to the threat of violence or intimidation, or to any legal recourse to collect these debts. They have other means at their disposal: friendship itself, or more specifically, the particular and personal relationship of trust that they have established. The expectations, responsibilities, sanctions, and potential rewards that this relationship entails are powerful motivators that can be relied upon to shape social action and individual behavior. As discussed in the following, they lie at the heart of what makes more than just the VIP system work.

#### SYSTEMS OF TRUST

Every culture has ways of creating, reinforcing, and relying on various forms of trust established through the social praxis of those who share or participate in that culture. The organization of trust in one culture may or may not be similar to the way such things work in other cultures. Macau's traditional VIP system can be thought of as a subculture. It is a unique and locally specific variant set within what could be called a larger, dominant, transnational standard of casino culture or way of organizing casino gambling. As a subculture it has its own standards and sets of rules, values, and behavioral guidelines. Dominant cultures maintain their position of dominance partly through the control of institutions, such as legal systems, which control or criminalize some subcultural practices that threaten to undermine their power (Norgren & Nanda, 2006). But who or what is dominant here and who is opposed? According to Hebdige (1979) subcultures activate sets of material and socially symbolic practices that are contrary to the values and power structures of dominance. But this conception is too narrow, both in its assumption of opposition and the implication that only a single standard can ultimately wield any real power in a mainstream.

Like their counterparts in the West, every actor in Macau's VIP system, including the Macau government, has the same basic assumption, idea, or goal in mind: to win and make money. Macau's traditional VIP casino system has regularly returned nearly 70 percent of all gambling revenue in Macau, making it locally dominant. With the addition of new, Western-style gambling organizations, total gambling revenue in Macau now surpasses that of Las Vegas and Atlantic City combined. Macau's traditional VIP casino system still contributes a lion's share to this success, and the total set of multiple ways in which gambling organization is practiced in Macau can now be considered globally dominant as well, at least as far as revenue numbers are concerned. This set includes a very traditional practice, unique to Macau. Whether one sees dominance or subcultural aberration is at least partly a matter of perspective. A subculture need not be oppositional or oppressed. It may reinforce a dominant system or be merely independent of it and perhaps go about achieving the same or similar goals but in different ways. This is what is happening in Macau. To Western administrators and regulators the organization of Macau's traditional VIP system may seem bizarre-an aberrant corruption of all that management deems holy-but to Chinese casino operators in Macau it is not just standard practice but also a dominant and highly efficacious tradition. Key to the difference are different ways of organizing trust.

# Trust in the Traditional VIP System

Macau's traditional VIP casino system can best be understood as a nested or interlocking system of separate business organizational practices—subcultures within a subculture if you will—each neatly coherent in its own terms and with its own degree of autonomy and held together only loosely within a single but informally defined frame. The image of a series of nests is particularly appropriate here. STDM's original monopoly gambling operation, the Casino Lisboa, is housed in a building with a circular motif that references the style of a Chinese birdcage. Its newest venue, the Grand Lisboa, which opened to the public in 2007, has a large egg-shaped form in the center of the main casino floor. The nested system at work in the organization is not quite a hierarchy and has no centralized chain of authority or command. Each element exerts a certain amount of control over the next but then stops and goes no further. Trust is localized and organized independently at every level. We will now go through the series.

First, the Macau government does not strictly or directly regulate, control, and license each casino or investigate its key personnel as does the Nevada Gaming Commission. Macau's VIP-room contractual system was organized and run solely by STDM and later SJM without any government interference for over 20 years. There is currently no regulatory requirement that VIP-room contracts conform to any government guidelines or that they be reviewed by regulatory authorities. VIP-room 'promoters'—contractors and theoretically the representatives they engage—were not subject to any investigation or regulation until 2002 when the Macau government passed a law requiring them to register and submit detailed application forms and documents to obtain licenses. However, not all have done so and a number continue to operate without having registered or obtained licenses.<sup>6</sup> Gambling credit—the backbone of the VIP system—was likewise not subject to any legal involvement until recently. A newly passed gambling credit law marked the first time such loans were even legally recognized as collectable through legal action.<sup>7</sup>

Second, the casino, as previously discussed, has controls to minimize its risks. It has written contracts with its VIP-room contractors but as long as the conditions of the contract are met—the deposit is intact and there is a guaranteed minimum of dead chip sales within a certain time period—the casino really does not care who is actually operating the VIP room.

Third, the VIP-room contractors usually do not have written contracts with their customer representatives, whose cooperation and transactions are based on convention and oral agreements with some simple bookkeeping. A VIP-room contractor can in turn subcontract out the entire room to another operator with or without a written document and without notifying the casino. The new subcontractor can do likewise without notifying the original contractor. As long as each party's conditions are met who actually runs the room need not be anyone's concern.

Fourth, VIP-customer representatives control the situation they have engineered only up to the point of their customers' arrival in Macau, or at the casino, but no further. A customer representative would know his customer's financial background from the period of targeting him as a prospect and has a good idea of what his credit ceiling should be, but there is no assurance that the customer will even be interested in gambling, let alone agree to a substantial loan. Few, if any, representatives would avail themselves of legal means to collect such loans and at this level there is certainly no written contract or paper trail of accounting to show a court.

By now it should be clear that a special kind of extralegal or otherthan-bureaucratic glue is holding the VIP system together. Making 'friends' (youyi) is how a VIP-customer representative would describe how he operates. This is key to the entire system. Culturally specific understandings, responsibilities, expectations, and potential rewards of this relationship are what make the system work. These all combine to create powerful social sanctions that shape behavior in a variety of domains, not just in Macau's VIP rooms, but also in the larger playing fields of Chinese business practice, and even Chinese society itself. The VIP system conforms to these larger fields of practice. It may be a subculture by contrast to a certain standard of international casino gambling, but it is one that shares basic points of organization with these two large local, regional, and socioculturally specific arenas. Its players at every level are making use of a culturally specific form of 'social capital' (Bourdieu, 1986) available to them as Chinese. STDM initially designed the system in response to a very specific set of local conditions, but it quickly evolved into the success it continues to enjoy today, even when the market expanded into a new, primarily mainland Chinese customer base. It works precisely because all players are already proficient with the basic principles involved by using them in other domains outside the casino.

# Trust in Chinese Culture and Business

Every business organization is itself a culture in which a system of exchange relationships is also a system of commonly understood symbols, rituals, values, and sentiments. In Chinese culture and society-and in Chinese business—trust is widely considered to be inseparable from both human emotion and personal intimacy. Trust is produced in friendships at the same time as other sentiments, but relying on the trust created in this relationship is not just a matter of subjective emotionality—it also involves rational calculation and various kinds of exchanges whose meanings are codified within the system (Chen, 1994; Kao, 1991, p. 269; Mauss, 1970). In articulating his theory of practice, Bourdieu distinguishes between different types of 'capital' at work in such exchanges, each of which is basic to everyday life (Bourdieu, 1977). According to Bourdieu, every social actor holds and accrues forms of capital that are not just economic but also cultural, social, and symbolic. People in all societies use these different forms to seek various sorts of goals or 'profits,' both material and immaterial. Each form of capital is distinct and convertible into other forms through what he calls "the energy of social physics" (Bourdieu, 1986; 1990, p. 122). This means that, as a resource, capital can be transformed to suit a wide range of material and social purposes. 'Cultural capital'-the knowledge one holds or the ability to do things as a participant in a particular culture-can be transmuted into 'social capital'-the ability to draw upon networks of actual personal relationships-or vice versa. Cultural and social capital

can figure strategically in the accrual of both economic capital—material wealth—and symbolic capital—individual or family prestige and renown (Bourdieu, 1977, p. 179). This dynamic is keenly understood in China.

As participants and players in Chinese culture and society, Chinese people in China and elsewhere know and can do certain things if they were brought up or socialized as members of a Chinese society. Part of this cultural capital, or the 'stock knowledge' essential to Chinese adults in their management of everyday life (King, 1991, p. 63), is a highly articulated awareness of the value of social capital. Social capital is intangible and not measurable, less objective and certain than economic capital, but the links between the two forms are widely appreciated and often pointed out in the literature on Chinese social structure and business practice. Bourdieu defines social capital as "the sum of the resources, actual or virtual, that accrue to an individual or a group by virtue of possessing a durable network of more or less institutionalized relationships of mutual acquaintance and recognition" (Bourdieu & Wacquant, 1992, p. 119). In China there is a name for this type of resource: guanxi. This is the Chinese word for 'relationship,' but because it refers to a very specific kind of relationship some scholars translate it as 'particularistic tie' (Jacobs, 1979; Walder, 1986). Guanxi is the building block of networks that are productive of social capital. Chinese do not classify all relationships as *guanxi*—only those bound by norms of reciprocity, such as the friendships cultivated by VIP-customer representatives. Many scholars agree that guanxi, which includes both relationships and relation building, is central in Chinese society. Some even consider it to be one of its main organizational principles (Hamilton, 1998, pp. 57–58), or a source of social 'vitality' (King, 1991, p. 79). Powerful, influential, or wealthy individuals commonly maintain a dense network of such relationships, but in one way or another, every individual is at the center of a guanxi network—a set of multiple particularistic ties based on reciprocal obligations and the exchange of favors and gifts.

Despite many popular but oversimplified interpretations to the contrary, the foundation of Chinese society is not the group (King, 1991, p. 66–67). China is not like Japan where the group is often taken to be the primary social unit (Nakane, 1970, p. 14). Fei (1992) and others argue that Chinese society is centered on the individual, more specifically each person's *guanxi* network "created from relational ties linking the self with discrete categories of other individuals" (Hamilton & Wang, 1992, p. 24; King, 1991; Liang, 1974). Unlike Western 'individualism' however, Liang explains that in such a relation-based social system, "the focus is not fixed on any particular individual, but on the particular nature of the relations between individuals who interact with each other. The focus is . . . on the relationship" (1974, p. 94).

In Bourdieu's terms, such *guanxi* relationships constitute a highly significant, culturally specific arena for social action and the transformation of various forms of capital. Each person in Chinese society has a potentially wide pool of 'discrete categories of other individuals' upon which to draw in forging relationships that are productive of the trust necessary in everyday life. Potential *guanxi* partners include anyone with attributes relevant to claiming a bond of shared identity or collegiality, such as kin, fictive kin including unrelated people with the same surname—place of ancestral origin, dialect, workplace, membership in the same associations or clubs, in addition to just plain 'friends' (Tong & Yong, 1998, pp. 77–80). Classmates and alumni of schools and universities are especially important sources of partners. Institutions are well aware of the role they play in fostering the social capital and *guanxi* networks of their members whenever they bring them together for meetings, anniversaries, and other celebrations. Behavior associated with such relationships is bound by certain well-understood rules but the application of these rules is informally context-specific to each individual and situation. A *guanxi* relationship produces social capital whether or not such capital is ever actually used in reaching a specific goal.

The categories of people with whom individuals cultivate such relationships reflect how Chinese society is put together. According to Fei and Hamilton, society in China is not created top-down through vertical chains of command but generated bottom-up from "webs of countless personal relationships" (Fei, 1992, p. 78) that have "only small degrees of hierarchy" (Hamilton, 1998, p. 58). This is exactly the organizational structure of Macau's traditional VIP casino system. Such a structure of multiple individualized relationships encourages people to feel loyal and bound to people, less so to formal organizations and contracts. As Kipnis (1997, p. 152) puts it "people have guanxi; roles in a command hierarchy do not." Since social capital can be transformed into economic capital, this way of thinking has implications for the management of business or, indeed, any social activity. People do not lead such networks in the same way that people lead formal, bureaucratic organizations (Hamilton & Wang, 1992, p. 33). Effective management recognizes the power of such culturally specific resources.

These articulations go a long way in explaining the location of authority and trust in Macau's traditional VIP casino system and why the system works so well despite the coexistence of competing management paradigms. They also explain some of the challenges of sociocultural and organizational differences faced by transnational casino companies newly arrived in the territory. Underscoring that the personalized trust built up in *guanxi* networks is very different than the abstract, impersonal trust prevailing in Western businesses, Hamilton (1998) stresses that this is not a simple distinction between 'personal trust' and 'system trust' as first outlined by Luhmann (1979). Both are forms of system trust—they are just different systems:

In Chinese society, system trust is based on normative, inter-subjective rules that link people who are classified according to relational categories into networks that specify their modes of interaction. In Western

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society, system trust rests on codified rules that define the jurisdictions of interacting units (e.g., an individual or a firm) and specify the terms and conditions of that interaction . . . Put more concretely, the backup system for a Chinese businessperson is a *guanxi* network; the backup system for an American businessperson is the courts and lawyers (Hamilton, 1998, p. 63).

The implication here is that capitalism itself—along with trust as one of its crucial components—has culturally specific variants.

In analyzing variations in the organizational links between society and morality in a collection of essays on 'new Asian capitalisms,' Hefner observes that:

Chinese capitalism is first and foremost a *network* capitalism. It is built from the ground up, not on the basis of legal contracts and the supervisory authority of the state but on particularistic relationships of trust. One can hardly think of a more decisive counterexample to Max Weber's faith that the spread of capitalism would everywhere mean the demise of personalistic ties in favor of a faceless bureaucratic machine. (1998, p. 12).

Despite globalizing trends, capitalism is not a unitary phenomenon. It is always embedded in various and specific social and cultural relations. The embeddedness of economic activity in the cultural specifics of social life— 'networking' as a strategic tool—has long been a familiar concept in economic thought (Granovetter, 1974), but it is among the Chinese that it assumes its "most striking form" (Hefner, 1998, p. 12). Chinese business managers are well aware of just how well such culturally specific 'particularistic relationships of trust' can work, even when the stakes are high. Hefner continues:

Multimillion dollar deals that in the United States are struck only after scrutiny by a small army of lawyers are, among Chinese capitalists, settled with a handshake. Capital that in London is secured from international banks may in Bangkok and Taipei be mobilized through an informal network of trade partners. For those scholars who, following Max Weber, were convinced that the prerequisite for modern capitalism is a well-mannered legal system and impersonal bureaucracy, business arrangements of this sort may be dismissed as "premodern" organizations "in transition" to modern ones. But such a conclusion now seems unduly restrictive, indeed ethnocentric (1998, p. 29).

Personal trust—or rather a culturally and socially specific form of system trust—is a common organizational principle in Chinese business (Kao, 1991, p. 268; Hamilton, 1998, p. 62). A relationship based on this kind of trust requires that both parties will act predictably, according to set rules of social relationships (Fei, 1992). "In order to obtain trust," says Kao,

"persons have to demonstrate certain qualities according to inter-subjective rules. These rules are not objectified, but are usually well recognized by the people involved. Because such informal, rather than formal, rules are used predominately to regulate business activities, Western contractual relationships do not prevail" (Kao, 1991, p. 269).

The ability of an individual to accrue social capital through guanxi relationships requires that certain obligations must be met, above all the obligation of reciprocity as expressed and embodied in the voluntary exchange of gifts and favors. This sense of obligation to a personal connection structures the production of both social capital and trust. An additional, unspoken rule is that the intended outcome of any gift should not be too instrumentally explicit regarding the expectation of any specific reciprocal gift or favor (Mauss, 1970). This would change the meaning of the exchange from a gift between friends or *guanxi* partners to a bribe-something usually offered to a superior or a person in a position of authority and not an equal. Furthermore, if the obligations felt by parties in a guanxi relationship were enforced by any legal mechanism or third party, then the exchange in question would strictly be about economic capital and not also about the social capital so important in Chinese society and culture (Smart, 1993, p. 393). This is what makes these obligations unenforceable by any formal authority. The power of authority is unidirectional. In relationships backed by authority it is clear who or what is controlling whom. By contrast, the obligations and rules of guanxi relationships are reciprocal, informal, and fluidly context-dependent. Cultivating guanxi is an 'art' (Yang, 1988, 1989, 1994) and the obligations it entails do not involve laws.

But what about noncompliance? Despite cultural knowledge and widespread social recognition of the power and implications of such obligations, what sanctions are available when no formal authority is present and trust is not forthcoming or falsely assumed? A relationship significant to a *guanxi* network may be lost, of course, but there is something else at stake that secures the commitments of friends to friends and minimizes risk: symbolic capital. For Bourdieu, symbolic capital is the "prestige and renown attached to a family and a name" (Bourdieu, 1977, p. 179). He suggests that this form of capital "is perhaps the most valuable form of accumulation in a society" (1977, p. 179). Scholars from a range of disciplines have identified the Chinese concept of 'face' as perhaps the most important form of symbolic capital in Bourdieu's sense, either explicitly (Kipnis, 1997; Smart, 1993; Zhang, 2004) or implicitly, in ways similar to Bourdieu's usage but without citing him or using his terms (Ho, 1976; Hu, 1944; Hwang, 1987; Park & Luo, 2001).

Like *guanxi*, the Chinese word for 'face'—*mianzi*—has many meanings (Cheng, 1986; Hu, 1944), but here it can be taken simply to mean one's personal pride or standing in a community. *Mianzi* can be distinguished from *lian*, another form of face that more simply means 'good moral reputation.' Unlike *lian*, which is either maintained or lost as whole and does

not accrue, *mianzi* can be "borrowed, struggled for, added to, padded" (Hu, 1944, p. 61). It is true symbolic capital in Bourdieu's terms. A person's *mianzi* can be determined by his or her "post, credibility, honesty, reputation, power, income, or network" (Park & Luo, 2001, p. 456). It can be further enhanced by superior performance in some role, the sponsoring of entertainments, or by ostentation and the display of wealth (Ho, 1976, p. 870; Hu, 1944, p. 56).

Bourdieu was aware of the many studies that have focused on *mianzi* and argued that this form of symbolic capital plays an especially important role in China (Bourdieu, Zhang, & Yu, 1998, p. 148; Zhang, 2004, p. 7). Enhancing one's mianzi or symbolic capital goes hand in hand with nurturing one's guanxi network or social capital. Individuals in a guanxi relationship are reciprocally obligated to maintain, enhance, or save each other's mianzi from mutual loss since "it is imperative to maintain a certain level of *mianzi* in order to cultivate and expand a viable guanxi network" (Park & Luo, 2001, p. 457). Both facilitate the transformation of symbolic and social capital into something else, such as money or power. Mianzi is "dependent on developing good guanxi, and developing connections is easier when one has face" (Smart, 1993, p. 402). A guanxi relationship "becomes stronger if one's partner is someone with superior mianzi" (Park & Luo, 2001, p. 456). Not everyone may choose to pursue *mianzi* in this sense, but for those who do, the potential loss of *mianzi* is a powerful sanction to abide by the unspoken rules whereby symbolic and social capital is accrued, exchanged, and transformed. Someone with diminished or lost *mianzi* is popularly regarded as a person with 'thick face skin' (*hou lian pi*), and this negatively impacts such a person's ability to function effectively in a group and to influence or control others. Some scholars even equate mianzi with one's personal credit rating, with a good rating crucial for both economic and noneconomic purposes (Hu, 1944, p. 63; Smart, 1993, p. 392). Concern for face thus exerts "mutually restrictive, even coercive power" (Ho, 1976, p. 873) over members of a social network and fear of its loss can be an even stronger motivation to act in a certain way than the desire to increase it (Ho, 1976, p. 867; Redding, 1990, p. 63). This is the sanction that stands ready and waiting to back the trust and minimize the risks associated with informal, unwritten agreements between individuals in a guanxi relationship.

It should be remembered that not all relationships are *guanxi* relationships and not all agreements and sanctions in Chinese society and business work this way. Multiple paradigms for the establishment and organization of trust can and do coexist, not just in today's globalizing world of increased access to difference, but also in 'traditional' Chinese society. King describes how there have always been mechanisms "to neutralize or to freeze" the sometimes burdensome obligations of a *guanxi* relationship "in order to carve out room for instrumental rationality which is necessary to maintain economic and bureaucratic (in the Weberian sense) life" (King, 1991, p. 76). Chinese businesses certainly do utilize contracts, but alternative, multiple, and more traditional ways of doing things are still possible, even within the same enterprise or location—and especially in Macau.

#### MAKING FRIENDS, MAKING MONEY

We are now in a position to say more about the social praxis of that key bottom-up player in Macau, the VIP-customer representative, upon whom the entire system depends. The VIP-representative recruits potential customers by establishing trusting relationships-making friends-with people whom he knows can meet the minimum total amount of wager necessary to enter a VIP room, as set by convention and the expectations of the VIP-room contractor. This activity can take place anywhere but now most commonly occurs in the representative's home city or region in mainland China. This relationship—called guanxi—is lubricated through the mutual exchange of gifts and favors, perhaps in small ways at first, such as drinks, dinners, entertainments, but then capped by the representative's financing of a trip to Macau for the both of them. As Mauss (1970) has famously detailed, gift exchange creates a social bond that promotes solidarity and the expectation of reciprocity. Following Mauss, and in the context of Chinese society, Yang has called this practice "the Chinese gift economy or 'the art of guanxi" (Yang, 1989, p. 35). Though the representative has a definite goal in mind, the unspoken rules of this art are that he should not expect any immediate or very specific return for either the friendship or the trip.

Once in Macau, the customer already feels indebted to the representative before any gambling or loan is even proposed. If the VIP-room visit and requisite loan are accepted, the customer will go along with the representative's process of chip rolling because he understands what is in it for his friend and letting him roll the chips is already a form of reciprocation for gifts and favors received. Win or lose, the initial loan of dead chips, which must be played, has also incurred an economic debt. Winners pay immediately, often plus a tip, and losers can usually be depended upon to pay up later back home, where social sanctions and expectations are even more acutely felt.

In Bourdieu's terms the representative has invested economic capital in producing the social capital of a *guanxi* relationship by providing his friend with gifts and favors. This social capital then becomes the means to further accrue economic capital. However, social capital, once gained, is not lost or expended through use. Win or lose, the relationship between representative and player can still be maintained, and the customer may come back to the VIP room again with his friend. In most cases, the specific recruiting endeavor by the representative assumes a once-for-life risk in the financing of the initial trip. Additional exchange of gifts keeps a *guanxi* relationship

alive, but once the friendship is established, both parties would very likely benefit for life from the *guanxi* thus created, perhaps in other social or business contexts, and with no more risk.

What about the economic debt? In this case it is with good reason that the representative can wait to collect until both friends are back home. The sanction that compels payment here is that the symbolic capital-face or *mianzi*—that the customer holds back home (where people know him) might be damaged through nonpayment. Good mianzi is necessary for one's social well-being and effectiveness and is itself a form of credit necessary to procure certain advantages in a social field. If a customer refuses to pay his debt, he is facing a threat to this symbolic capital. The representative can threaten to reveal his gambling activities and nonpayment to his social circle and face would be diminished or lost. This is what is at stake here, even without any clearly voiced threat on the part of the representative. Every feature of the entire process is well known to everyone involved as a matter of commonly shared cultural capital and what it means to be a member of Chinese society. The benefits and obligations of a guanxi relationship, the importance of face, and the ways in which it can be enhanced, diminished, or lost, and the potential consequences of nonpayment of such a loan, are all 'stock knowledge' available to players when making both friends and money.

Among the advantages to such a system are that it reflects and expresses long-standing ideas, habits, and preferences that are culturally, socially, and regionally specific. In Chinese society a high value is placed on confidentiality, and people are often reluctant to reveal personal details about themselves in filling up official forms. This is especially true in regard to gambling. Despite its widespread popularity, gambling is still viewed negatively and is not socially acceptable in all circles. Many do not want it to be known who they are when they gamble, and do not want to leave any written clue to the world about their activities. The VIP system, with its private rooms and confidential loans, recognizes this cultural sensitivity and provides a haven for comfortable, private play. Perhaps no one back home even knows that the individual is such a high-stakes gambler. Protecting such privacy is an additional sanction that ensures, through cultural and social but not official or legal means, conformity to a certain pattern of expected behavior. All casinos have mechanisms to provide loans to players, but this attractive feature is not available to Western casinos that require paper trails of personal information in potentially revealing forms and legal documents (Cabot & Kelly, 2003). There is another advantage to loans backed by means other than formal contract: the ability to mobilize capital quickly and easily in order to take timely advantage of opportunities as they arise. Such loans are prevalent in many business enterprises throughout the Chinese world and they mark a fundamental difference between Western and Chinese capitalisms (Fukuyama, 1995, pp. 65–82; Hamilton, 1998, p. 61; Hefner, 1998, p. 16; Redding, 1990, p. 237). In

the context of casino gambling, this means the ability to provide a Chinese high roller with instant credit—before the heat of gambling desire has a chance to cool off. As we have seen, what is really on the line for such a player involves much more than gain or loss of economic capital.

#### CONCLUSION

Capitalism is not the same everywhere. Despite an increasingly interconnected world economy and increased degrees of commonality and standardization, especially since the 1970s, local variations have always been intrinsic to how capitalism works anywhere. As Hefner puts it, "variation in capitalism's organization is not so much a frill on an otherwise essential whole . . . [but] an intrinsic part of the way in which a generalized system grounds itself in local settings" and "there is no capitalism without local articulation" (Hefner, 1998, p. 30). Economics, politics, society, and culture are not freestanding spheres of human activity but each is embedded in the other. The push and pull between each of these within a specific localized field of action explains the continued viability of Macau's traditional VIP casino system as a unique phenomenon within both the larger organizational principles of Chinese culture and long-standing ways of doing business, and as coexistent with competing, standardized organizational paradigms associated with enterprises of nonlocal origin.

We identified three factors as crucial to the way that Chinese people in Macau and elsewhere simultaneously articulate in practice the making of friends, the making of money, and the creation of a particular kind of trust key to both pursuits: first, the cultivation of *guanxi*, or reciprocal, personal, 'particularistic ties,' based on reciprocity and the mutual exchange of favors and gifts; second, the maintenance or enhancement of *mianzi* or 'face,' the potential loss of which is a powerful social sanction that helps shape behavior; and third, the importance of expressing freedom and trust through informal, unwritten agreements that ensure confidentiality, as seen in the issuance of paperless loans. All three together constitute the sociocultural preconditions that make possible the basic organizational structure of Macau's traditional VIP system, which is a nested series of separate, independently operating units and not a hierarchical chain of command with clearly defined controls flowing directly from the top.

There are many advantages to this traditional form of organization. Capital can be mobilized quickly without much bureaucratic interference, transaction costs can be largely reduced, and potential risks can be minimized without recourse to third parties. These features are especially important in China, where "the social and legal infrastructure for capitalist production" can still be inadequate (Smart, 1993, p. 404). Additional advantages can best be explained by examining the culturally and socially specific processes that facilitate the interchangeability of cultural, social,

symbolic, and economic forms of capital. Who one knows is an important part of life in every society everywhere but guanxi is a specific, named form of social capital in Chinese societies, just as *mianzi* is a widely understood form of symbolic capital. Knowledge about how these various forms work and how they relate to each other is a form of cultural capital understood, and available for use, by every participant in Chinese culture. As social capital, guanxi is transferable and reciprocal, despite being intangible, and these are among the features that make it a "valuable entrepreneurial tool to bridge gaps in information and resource flows" given continued "uncertainty and confusion in China's transition economy" (Park & Luo, 2001, p. 457). But guanxi and mianzi are about more than just business. Putting them into play is not simply economic opportunism. What makes these forms of social and symbolic capital distinct from economic capital is that they are only strengthened or increased through use, not consumed, expended, weakened, or used up when put into play-but only if one plays by the rules. Nurturing a guanxi network is an art, like the giving of the perfect gift to a friend.

The importance of personal relationships and face is, of course, not unique to China, but in Chinese culture and society guanxi and mianzi, as forms of social and symbolic capital, are highly elaborated in both theory and practice. We have argued that the personalistic, contextual, problemsolving flexibility of the 'art of guanxi' has been key to the success of Macau's traditional VIP casino system since it is based on long-standing ways of organizing capital and trust in general. By a different reckoning, however, such traditional practices can be seen as backward, undesirable, and irrelevant or dysfunctional to modernization and the emergence of a truly rational and professional bureaucracy often thought to be a necessary condition for the success of any large-scale enterprise (Redding, 1990, p. 135). Because it is private and particularistic, guanxi has been "deplored by Chinese modernists, Communist or not, who believe that ... what China needs is a universalistic ethic" (King, 1991, p. 79). Soon after consolidating its power, the Chinese Communist Party launched a series of campaigns and movements toward achieving this goal, with the specific aim of transforming 'friendship' to 'comradeship' (King, 1991, p. 71; Vogel, 1965)—a more universal conception of relationship and its attendant obligations.

Macau has never been communist. Long-standing Chinese traditions have always been allowed to continue in the enclave without official interference. Culture and society in Macau are still neither exclusively Eastern nor Western but both. Add to the mix Macau's particular social, political, and economic history, plus its geopolitical location as a separate jurisdiction within a set of three different polities—Macau, Hong Kong, and the People's Republic—and further explanation is possible as to why its traditional VIP casino system developed only here and is unique in the world. The beauty of the system is that it works across and apart from political and legal jurisdictions, let alone paperwork, and is based on understandings and expectations of behavior—trust—that are culturally specific but commonly shared throughout the Pearl River region and beyond. Economic, political, social, and cultural institutions, the products of a particular local history, all work in tandem. This is the key to its success. But can such a system continue in today's globalizing world and a new wave of rationalizing standardization? The government of Macau has recently granted new gambling concessions, resulting in a flood of transnational investment and the opening, since 2004, of massive new casino complexes run by foreign companies whose particular cultural ground is elsewhere and whose presence is rapidly transforming Macau's socioeconomic and urban environmental landscapes. This leads to a series of additional questions.

Macau's VIP system evolved as a perfect adaptation to the particular set of conditions in the soil in which it grew, and it has proven to have a certain cross-regional resilience. But will the massive scale of the new influx of financial capital, and all this entails, eventually outweigh and bulldoze the delicate balance of other forms of capital—cultural, social, and symbolic also at work in the traditional system? High-end business is a significant part of any casino operation, and the new arrivals on the scene have their own sets of cultural, institutional, and business organizational baggage. Are they willing, or even able, to adopt Macau's highly successful but culturally and locally specific VIP system? Or must they persist in their own ways of doing things, resulting in less, or perhaps different, success in this particular sector?

As we have seen, Western business organizations expect to do things 'by the book,' but this is not always the Chinese way. The inability of foreign casino companies to adopt the traditional VIP casino system in Macau is not a case of misunderstanding or resistance to local cultural premises, or even a fallback to the safety of familiar corporate-organizational practices back home, but a formal institutional constraint. The Nevada Gaming Commission requires such regulation, even for offshore operations. The presence of management structures of nonlocal origin is exerting pressure on local practice. A 2002 law requiring casino 'promoters' to register for licenses, though poorly enforced, can be interpreted as a bid to rationalize casino organization along more Western lines as a necessary move that paved the way for foreign capital investment. In 2008 a licensing requirement was extended to major casino owners and executives themselves. Additional controls could, of course, compromise the continued ability of local casino operators to come up with creative, culturally relevant, and successful organizational systems on their own terms and based on local experience.

Multiple systems can certainly coexist, as is seen in Macau's dual VIP and mass-market systems as well as in the different organizational styles of different casinos, but here the question becomes one of relative weight. The reality of casino gambling in Las Vegas is that more income is generated by activities other than gambling itself—restaurants, entertainment, retail, hotel rooms, conventions, and events—and the premise is promotion to a mass market. Nevada-style casinos are bringing this premise to Macau and therefore may not rely so much on VIP customers, leaving the traditional system to go its own way elsewhere, perhaps confined to venues recognized as exclusively 'Chinese.' This in itself may be a gamble, especially since VIP gambling continues to account for the largest percentage, by far, of all gambling revenue in Macau. Although homework certainly has been done in studying the burgeoning Chinese market, the consumption tastes of China's rising middle class are not yet mature and may be unpredictable. Western-style entertainment venues, attractive for their exotic novelty and newness, may only have a limited appeal, with consumers ultimately preferring their own homegrown versions.

With substantial financial capital available for disposal, but protective of their long-standing forms of social and symbolic capital, Macau's VIP players have contributed more than a lion's share (should we say dragon's?) to Macau's gambling revenue to date. This type of player, with definite and particular cultural tastes and social expectations, is not a customer to be lightly dismissed. When the chips are down, such a player may prefer that loans, on which so much actual casino business hinges, remain easy, paperless, personal, and private—the old Macau way. Win or lose, and frills aside, at the end of the day such a player is left with what he may value most—a friend for life.

## NOTES

- 1. Stanley Ho's Sociedade de Turismo e Diversões de Macau (STDM) (succeeded by its wholly owned Sociedade de Jogos de Macau [SJM] in 2002) was the only casino firm in Macau for a long time. In 2002, the Macau government issued two more concessions: to Wynn Resorts, and a joint venture between Las Vegas Sands and Hong Kong–based Galaxy, under the concept of 'gaming liberalization.' A subsequent split between Las Vegas Sands and Galaxy persuaded the Macau SAR government to issue an additional sub-concession to the Las Vegas Sands. The government later allowed the other two concessionaires to sell off one sub-concession each. SJM sold theirs for about \$300 million in 2005 to a partnership between MGM Mirage and Pansy Ho, daughter of Stanley Ho, the primary individual behind STDM (later SJM), and Wynn Resorts sold its sub-concession in 2006 for about \$900 million to a partnership between the Australian company PBL and Melco, a Macaubased company controlled by Lawrence Ho, son of Stanley Ho.
- 2. Casino personnel interviewed consisted of five managers from SJM, three from Las Vegas Sands Corp., and two from Galaxy; a major shareholder and two major executives of SJM; and Sheldon Adelson, chairman and chief executive officer, Las Vegas Sands Corp. VIP-room personnel interviewed included three VIP-room contractors and four VIP-room customer representatives.
- 3. The government department responsible for casino regulation is the Direcção de Inspecção e Coordenação de Jogos de Macau (Macau Gaming Inspection and Coordination Bureau).

- 4. A total of three VIP-room contracts were examined.
- 5. Casino win (gross revenue) is allocated in the following order: (a) approximately 40 percent gambling tax to the Macau SAR government; (b) dead chip commissions to VIP-customer representatives; (c) reward for dead chip oversales to the VIP-room contractor; (d) a certain portion of leftover revenue to the VIP-room contractor; (e) casino operational cost; (f) casino profit.
- 6. This law is Administrative Regulation 6/2002, Stipulations of Evaluating the Eligibility of Casino Promoters. Its purpose is to clean up the VIP-room contractual system and make it free of gangsters by screening promoters and issuing licenses. By the end of 2005, 76 promoters, of whom 41 were legal entities (such as companies) and 35 were natural persons, were licensed. The government is seemingly not intending to twist the arms of those who remain unlicensed or have not yet gone to register. When initiating the law, the government knew that there must have been some who would not be licensable. How to handle these unlicensed VIP promoters is a dilemma for the Macau government. In order to retain its economic prosperity, Macau cannot afford to just kick unlicensed promoters out of business; however, in order to maintain the law's seriousness, Macau also cannot afford to just let it go. Currently, the Macau government still does not license the casino tycoons (owners and key employees) as most American jurisdictions do. It only licenses promoters.
- 7. Macau's gaming credit law, Act 5/2004, Law of Credit in Casino Gaming and Betting, was passed on May 31, 2004, and effective on July 1 the same year.

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# 6 Dutch Casino Space The Spatial Construction of Gambling Pleasure

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#### INTRODUCTION

Historically gambling has been an extremely controversial category of play. The objections against gambling can be manifold. Gambling has been religiously condemned and has been considered economically unproductive and incompatible with the Protestant work ethic. Gambling has also been closely associated with risks of addiction and crime. Following such objections many states have historically condemned gambling organizations, and sought to prohibit or tightly regulate commercial gambling places like casinos.

The central control strategies of casinos involve spatial strategies regarding the segregation, confinement, and concentration of gambling games. Segregation in the case of casinos can go as far as (attempts at) elimination. The archetypical Venetian *casini* and *ridotti*, the many private gambling rooms that were opened during the carnival season, were banned after 1628 (Padoan Urban, 1985). Because this ban wasn't very effective, a single public gambling house, of which the proceeds were for the treasury, was opened in Venice in 1638. In France in the early nineteenth century Napoleon tried to close down the popular gambling rooms of the Palais Royal, but in 1806 he legalized and taxed a limited number of casinos in Paris and some watering places (Barnhart, 1991). As these examples indicate, the ban on casinos was almost never complete. However, casinos were in many cases seriously marginalized and restricted either to the illegal and criminal side of society or to a limited number of exceptional places where casinos were permitted, serving the interests of tourism and the state. In particular these last "places on the margin" (Shields, 1990), in Europe the Mediterranean city-state of Monte Carlo, in America the desert state of Nevada, and in Asia the Portuguese Colony of Macau, served as places of refuge and enabled casino enterprises to evolve into a modern entertainment industry.

In the post–World War II period gambling markets in many countries were gradually legalized. Especially during the 1990s gambling markets have been further liberalized and expanded significantly. The visibility of gambling increased due to sensational advertising, the establishment of luxurious amusement arcades and casinos at top locations, and spectacular gaming shows on the television. Gambling places and products became almost ubiquitous, and the returns and profits of most gambling markets grew enormously. This expansion wave is a virtually global phenomenon (Eadington & Cornelius, 1997; McMillen, 1996; Reith, 2002; Smith, Hodgins, & Williams, 2007).

In the Netherlands, the country I will focus on, this wave included the expansion of the number of legal casinos, the establishments of the state monopoly Holland Casino, from three to twelve. This expansion, however, didn't imply a slackening of the spatial control over gambling. On the contrary, this chapter starts from the idea that precisely the tight spatial control over casinos, and over the gambling games within casinos, serves as a precondition for the exploitation of modern gambling games. Moreover, this control favors a certain cultural meaning of gambling, that is, gambling for pleasure as a form of entertainment and fun. This commercial form of gambling counters criminal involvement in gambling and gambling excesses related to addiction or gambling for purely monetary gain. For example, Holland Casino banned from its blackjack tables professional players, the so-called 'card counters.' Holland Casino also developed anti-addiction policies. These strategies contribute to the normalization and commoditization of gambling as an entertainment product, which in its turn can be considered functional in the context of an affluent consumer society. Following this spatial logic the exploitation of gambling as entertainment is segregated from the wider society and confined to the premises of casinos.

## PLACE-MAKING

In this chapter I would like to argue that the spatial logic concerning the confinement of gambling pleasure is better treated as a result of the analysis than as a starting point. Commercial gambling for pleasure is not a universal or self-evident organizational form of gambling, but should instead be regarded as a cultural, social, and economic achievement. The segregation and confinement of gambling games is not only nor necessarily related to the idea of gambling for pleasure. Nor is the idea of confinement self-evident. Various strategies of spatial regulation apply to gambling markets. These markets cannot be pictured as uniform and unambiguous. While gambling in casinos and amusement arcades is tightly controlled, in the Netherlands slot machines in restaurants and the organization of charity bingo is less supervised and less strictly segregated from other social activities (Kingma, 1997).

The spatial dynamics behind the confinement of gambling are difficult to fathom without a closer examination of the actors and organizations involved in the making of gambling places. In this case, the confinement of gambling is considered a social construction (Berger & Luckmann, 1966; Douglas, 1970), where in specific cases qualifications of the 'organizational

form,' the 'appropriate place,' and 'pleasure-value' of gambling activities are the outcome of negotiations and dispute between diverging parties linking specific definitions of what they feel is appropriate to their power relations. The allocation of casinos and the organization of gambling games are influenced by the subjective and political appreciation of gambling and the (corporate) identities of gambling enterprises. This became clear, for instance, in 1983 when the government decided to expand the number of Holland Casino establishments after a period in which the identity of this casino operator had been spoiled by serious problems with fraud, and at a time when there also appeared, more or less condoned, the so-called Golden Ten casinos. However, government considered Holland Casino a more professional and reliable casino organization that also offered guarantees for consumer protection. The Golden Ten casinos, which evaded the law by claiming to exploit a game of skill instead of a game of chance, were considered illegal and criminal by many, but not by all public authorities (Kingma, 2004b).

Although space has primarily been perceived simply as a material context for organizational analysis, space is also a sociocultural phenomenon that is part and parcel of the social construction of casinos. At least, if we do not treat space only as a material issue but, as Bruno Latour advocates from the standpoint of Actor-Network-Theory (ANT), if we also concentrate on the social strategies behind the spatial arrangements of casinos and the social consequences that follow (Latour, 1987, 2005). From this perspective we can better appreciate the various cultural meanings assigned to and associated with casinos, as well as the power relations involved in their construction. In a way, abstract space becomes concrete place through the exertion of power and the investment with meaning. An ANT-like approach also draws our attention to the reproduction of boundaries within and between organizations (Lee & Hassard, 1999). Regarding the social dimensions of space I am both considering the question of how places come into being and how places matter for social practices (Gieryn, 2000). How are casinos constructed and how do casinos influence gambling practices? Following Gieryn (2000) the social organization of activities in space can be considered a process of 'place-making,' which involves three mutually related but analytically distinct features: geographical locations, material forms, and investments with meaning and value. These features reflect Henri Lefebvre's spatial dimensions from The Production of Space (1991).

Lefebvre's distinctions can be helpful in understanding the "mutual enactment of the material and the social" in organizational analysis (Dale, 2005). His conceptualization of space can be regarded as a translation of power and meaning in spatial terms and address the ontologically quite different ways actors relate to space. Lefebvre (1991, p. 33) distinguishes between: spatial practice, representations of space, and spaces of representation (Shields, 1999; Watkins, 2005). Spatial practice concerns the (re) production in everyday life of the places and spatial 'ensembles' appropriate

to each social formation. Important is the commonsensical character of spatial practice, also referred to as 'perceived space.' The representations of space concern the discourses on space of professional actors like planners, architects, and engineers and are also addressed as 'conceived space.' Important is the link between the professional discourses and the mode of production. The spaces of representation are referred to by Lefebvre as fully 'lived space.' This conception of space is reflexive and concerns the 'social imaginary.' Important are the recoded versions of space and criticisms of the dominant social order. While conceived space is particularly relevant for the analysis of power relations, lived space is highly relevant for the analysis of new or alternative meanings of space. As a three-part dialectic the three dimensions work together but can also contradict each other. Lived space can be seen as a consequence of the confrontation between spatial practice and certain professional accounts of space, but it also can be seen as a condition for (changes of) our daily spatial routines. This chapter deals with these dynamics of place-making and the contribution of casino organizations to gambling places and pleasurable experiences.

The dynamics of place-making in the case of Dutch casinos take shape in the context of a specific regime of regulation for gambling. In The Gambling Complex (Kingma, 2002) I analyzed this regime in terms of the 'risk model.' Typical features of the risk model are: (a) a liberal political consensus on the legitimacy of gambling as commercial entertainment; (b) acknowledgment of the economical importance of the gambling sector; and (c) control of gambling markets, primarily to confront the risks of addiction and crime. The rise of the risk model is part of a 'paradigm shift' in regulation and signals a new phase in the overall process of 'autonomization' or 'commoditization' of gambling, a change that claims pleasure as a primary motive for gambling behavior and a regulated commercial gambling sector that has a growing share in and influence on society at large (Kingma, 2002, p. 414; 2004a, p. 63). Spatially this process means that casinos (a) acquire a prominent place in the urban landscape, (b) are sharply segregated from the urban environment, and (c) confine gambling to the premises of the casino, in which gambling games can be managed relatively independent of local governments.

The liberalization of gambling implies major changes in the relation between gambling and the state, and involves the legitimation of gambling activities and enterprises (Cosgrave & Klassen, 2001; Kingma, 1996). This also includes a crucial shift in the meanings attributed to gambling, a shift from gambling as a morally disputed vice towards gambling as an acceptable entertainment product or leisure-time pursuit. For the purpose of cultural analysis I am specifically concerned with the way place-making is related to the cultural valuation and signification of casino gambling in terms of pleasure (Kingma, 1997). As an entertainment product, gambling is less signified through the instrumental rationale of 'easy money' and more through the expressive rationale of playful pleasure and lifestyle identities. As such the rationale of winning is related to the euphoria of winning generated in the momentary act on the gambling spot. Then the valuation of money is confined to the time-spatial enclave of the gambling encounter. Various theorists of play and gambling have stressed this confinement together with a vicarious appreciation of gambling. Johan Huizinga (1938), notably, defined playful gambling in terms of highly segregated rituals pursued for their own sake and very different from 'ordinary life.' As stipulated by Goffman (1967/1972), who stresses 'character contests' and identity formation in gambling, it is not the transaction of the gamble but the action of gambling that is important. What is consequential in gambling for fun is not so much the amount of money you win, but rather the amount of money you can afford to lose. This loss is the price paid for having a good time. What seems particularly meaningful are the illusions of risk, profit, and luxury. In this respect casino space can very well be regarded as a 'heterotopia' (Foucault, 1986), a kind of effectively enacted utopia in which real sites of a culture are simultaneously represented, contested, and inverted. Casinos can, for that matter, also be regarded as highlights in 'the age of simulation' (Baudrillard, 1990), in which the distinctions between the real and the imaginary are fading, especially if we take the Las Vegas casinos in mind. But the redefinition of gambling as entertainment and pleasure is controversial and part of a social and spatial construction in which gambling organizations try to encode ideal consumer behavior in their facilities.

In this chapter I do not claim to present a more or less complete account of the interactions between Lefebvre's spatial dimensions in the case of Dutch casinos. I rather intend to explore how certain aspects of these dimensions are involved in the spatial (re)production of casinos as entertainment facilities. The analysis is based on discourse analysis regarding gambling policies and organizational strategies, observations in and of casinos in urban settings, as well as various interviews with casino managers and personnel. The empirical material this chapter draws on covers an extended period of time from the early 1990s onwards and was generated as part of several research projects dealing more generally with gambling regulations and organizations in the Netherlands (Kingma, 2002). For this chapter the empirical material on Dutch casinos was analyzed in an explicit spatial framework and updated to approximately 2004.

The overall objective of this chapter is to offer an analysis of the way space is involved in the social construction of casino gambling as commercial entertainment. The logic of the chapter is as follows. First, the exterior appearance of casinos is discussed as an aspect of 'perceived' space. This stresses the high visibility and prominent placement of casinos in the urban landscape and the associated crowd practices. Second, the 'conceived space' of casinos is discussed regarding the advertisements, the accessibility, and the interior design of casinos. This highlights the sharp separation of the casino from the urban environment and from 'ordinary life.' Third, I explore the 'lived space' of casinos from the standpoint of casino personnel, in particular regarding servicing and surveillance. This stresses the concentration and confinement of gambling games within the casino. Since, as argued by Lefebvre himself (Shields, 1999; Soja, 1996), the triadic elements have to be taken into consideration in mutual interaction, I will discuss how each aspect is, or could be, related to the other Lefebvrian spatial dimensions in order to grasp an understanding of the role space is playing in constructing gambling pleasure.

#### PERCEIVED SPACE: PLANNING AND ARCHITECTURE

A prominent aspect of 'perceived space,' the first of Lefebvre's spatial dimensions, is the way we can encounter a casino in our everyday journeys through (urban) space. In such an encounter we may perhaps intuitively admire the casino, enter it, ignore it, or turn our backs. Whatever our response, the casino building can in one way or another be part of our daily or occasional routines. For the integration of casinos in our spatial practice it matters significantly how casinos are located in urban space and what they look like.

Illegal casinos are located and more or less hidden in existing buildings, usually in marginal urban places. Even the first legal Dutch casinos, opened in the 1970s, were set up in existing buildings like the Kurhaushotel in Scheveningen (1979). The casinos of Rotterdam and Amsterdam were also initially set up in already existing buildings, both in a Hilton hotel. This indicates a limited spatial autonomy of the casino, which is not sharply segregated from its environment. In the most literal sense the casino as such is subsidiary to its environment. For the integration in spatial practice this implies that an illegal casino will only be recognized by those who have explicit knowledge about its location. It also implies that such a casino may be encountered unexpectedly by people who are unaware of its existence.

In this respect the new and purpose-built casinos of the 1990s meant a tremendous spatial innovation. For the new establishments Holland Casino preferred luxurious buildings with contemporary architecture in prominent locations, to exude a high status. Even so the design should not be too daring. It had to breathe reliability and conformism so that it wouldn't compromise or clash with its direct environment too much. Holland Casino attracted several renowned Dutch architects for the design. The new casinos were almost all located in inner-city areas. In Rotterdam (1992) and Eindhoven (1993) the casinos were integrated in new indoor shopping centers. In Nijmegen (1989) and Amsterdam (1991) the casinos became part of a new urban redevelopment project with entertainment facilities, waterfronts, shops, terraces, plazas, cafes, restaurants, and apartments. An eye-catching contemporary element in the design was the use of light. The luminous buildings emphasized the association between the casino and the city nightlife. Local governments gladly welcomed, and in some cases competed for, these

casinos because of the architectural enrichment of the urban landscape and the expected employment benefits and economic spin-offs.

The careful tuning to the environment, which entails a great diversity in the architecture of the different establishments of Holland Casino, is possible because the form and content of the casinos are kept separated. The architecture has a mediating role and does not merely express the game element and prestige of the casino. The architecture seeks connections with the urban environment and seeks distance from the gambling games. By doing so it acquires an autonomous architectural status. The separation of form and content is markedly clear in the way that Holland Casino distances itself from the traditional European casino style, from the royal and baroque casino elements that came to the Netherlands under Austrian and French influences. The classic casino, with the casinos of Baden-Baden and Monaco as shining examples, became a cliché. The new casinos did not look like royal palaces with red and green velvet interiors, gold ornaments, crystal chandeliers, decorated mirrors, and genre paintings. Holland Casino was more and more influenced by the American casino style. The corporate identity of Holland Casino is built up from contemporary fabrics and geometrical shapes. For the interior decoration some playful themes are added that deliberately do not refer to gambling. The split with the classic casino became poignantly clear in the new establishment (1995) of the Scheveningen casino. With the neo-baroque Kurhaus in our memory we now find an establishment that looks more like a modern cruise ship. The interior is decorated with elements from the beach culture. The separation of form and content enables a sharp distinction between the interior and the exterior of the casino. With the modern interior with beach culture elements in Scheveningen and, for example, with the Roman theme fragments in Nijmegen, Holland Casino obviously lets go of the classic European casino. With universalistic themes this casino organization seeks to appeal to a large audience. The company also enhanced the subsidiary entertainment facilities because they wanted to be 'typical nightlife casinos.'

The popularization and thematic appeal of the casinos somewhat resembles the American casino style. The architecture of the American casinos typically breaks with a traditional unity of form and content, allowing the development of the autonomous style that Robert Venturi and others analyzed as characteristic for the postmodern architecture of the Las Vegas Strip (Venturi, Brown, & Izenour, 1972/1977). In Las Vegas, the thematic architecture of, for instance, the Roman Empire, the Egyptian pyramids, medieval castles, or the skyline of Manhattan, is extremely important in the fierce competition on the casino market. As theorized by Gottdiener (2001) such 'theming' is closely associated with attracting customers and market competition. Gottdiener notes that the new casino-resorts are drawing most directly on an urban motif. He also notes that the new casino's at the strip distance themselves with their cosmopolitan themes from the traditional cowboy-style casinos of downtown Las Vegas, a process more or less comparable to Holland Casino's detachment from the classic European casino style. And in the thematic casino not only gambling products but also the casino space itself is being consumed. The Las Vegas Strip has, moreover, not only become a theme park but it also "has developed features of an urbanized environment in that it nurtures and draws out pedestrian traffic from within the casinos themselves" (Gottdiener, 2001, p. 114). The Las Vegas casinos, in other words, are generating a new kind of city.

Judged by size and development, the Dutch casinos cannot compare to the Las Vegas examples. In Las Vegas the casinos are completely dedicated to tourism. They are the result of a tough competition that is mainly fought out on the level of style and supplementary entertainment. Still, there is a connection. The casino of Nijmegen, for example, does not copy a medieval city but it does refer to the restored medieval townscape of Nijmegen. It may be far-fetched to compare Dutch cityscapes with Disneyland, but the common architectural principle of theming is evident. By adjusting outward appearances to the environment and aiming for a broader public, Holland Casino clearly takes a step into the direction of the American style of casinos. However, it is still a mix, as some features of the traditional European style are undeniably present. Also, the casinos remain fairly small scale and orderly. Holland Casino does bow towards the American example, but this is more an expression of the same developmental logic than to simply copy a concept. In Las Vegas the resort-casinos colonize exterior space and determine the looks of a city, the Dutch casinos are more adaptive, because the city works as a point of reference for the casino establishments. But just as with Las Vegas's casinos, the Dutch casino architecture relegates the immediate association between gambling games and the casino building to the background. The spectacular and seductive architecture enriches the city, but it conceals the gambling games at the same time. It is fairly irrelevant for architecture (and architects) what exactly goes on inside of a casino. Venturi and others even excused themselves in their architectural study on Las Vegas when they remarked: "Just as an analysis of the structure of a Gothic cathedral need not include a debate on the morality of medieval religion, so Las Vegas's values are not questioned here" (Venturi et al., 1972/1977, p. 6).

Insofar as I referred in this section to the intentions and strategies of casino management, architects, and local officials, I have addressed the conceived rather than the perceived space of casinos. However, my point is that the new conception of casinos has resulted in a new spatial ensemble regarding casinos that encourages and requires a specific type of urban crowd practice, in which the casino is incorporated and associated with pleasure and entertainment in the lives of tourists, gamblers, consumers, and ordinary passersby. I suggest that the prominent placement and theming of casinos are identified with a glamorous and enjoyable architecture rather than with the gambling games. The games are separated from the urban environment and represented by a theme, a relatively autonomous architecture with which the casino is identified in everyday life. Second, the

casinos are positioned in environments that are intended and designed for consumption and entertainment purposes. This means that the casinos are spatially associated with an encompassing cultural scheme of interpretation, from which the casino will easily be perceived in everyday life as an entertainment facility.

Although I assume that many will perceive the Dutch casinos in this way as entertainment facilities, and that this indeed is the dominant mode of perception, this cultural meaning does not necessarily correspond with the fully 'lived space' of casinos, i.e., with Lefebvre's 'spaces of representation.' It is quite possible that individuals or groups of people experience the casinos and their architecture with a different or even opposite 'social imaginary.' In this respect I particularly would like to point at the individuals and groups who criticized, and in some cases, notably in Nijmegen and Amsterdam, even resisted, the coming and placement of the new casinos. From the standpoint of ANT these groups should also be regarded as 'relevant social groups' that were part of the formative actor-network of the Dutch casinos. The critique of these groups involved, besides objections against gambling, the casino as a typical capitalist venture, corrupting urban politics and colonizing urban spaces and the lifeworlds of common citizens. These alternative interpretations and meanings, however, play a marginal and subordinate role in the everyday spatial casino practices.

# CONCEIVED SPACE: ADVERTISING, ACCESS, AND GAME AREAS

Prominent aspects of the 'conceived space,' the second of Lefebvre's spatial dimensions, of casinos, are the ways gambling games are officially (re)presented in advertisements, in rules and guidelines for access, and in the arrangement of gambling areas. These are representations of space constructed out of symbols, codifications, and abstract concepts. The conceived space refers to the knowledge and discourses on gambling spaces, which are related to the exploitation of gambling games. This immediately draws our attention to how knowledge and power are related to spatial constructions. In the case of the Dutch casinos the professional discourses almost convulsively propagate the idea of gambling for pleasure and entertainment.

# Advertising

For the Dutch casinos defining casino gambling does not start or stop at the threshold of the casino organization but reaches out to society as a whole. Holland Casino aims to influence its corporate identity in line with the reserved gambling policies. In advertisements and press meetings this company purposefully steps into the light. In its presentations Holland Casino ignores the instrumental aspects of gambling and emphasizes the pleasures of the games, and the casino as a classy destination for an entertaining outing.

In advertising the emphasis is on the symbolic meaning of the casino. The slogan 'Holland Casino, a feast for your eyes' almost literally reduces a casino visit to a visual experience. This slogan was introduced as part of the promotional campaign that was to support the introduction of the uniform house style from 1989 onwards. Advertising the casino is a controversial subject and in 1973 it was, through intercession of parliament, legally restricted to prevent "a category of people to be violated in their sense of justice," and encouraging individuals to gamble.1 Any advertising should stick solely to 'factual information.' The legal restrictions were observed in the 1990s by abandoning all advertisements that 'encourage excessive gambling' or 'appeal to the pursuit of financial gain in gambling'-so the restrictions are formulated in the Advertisement Code for Casino Games (1991).<sup>2</sup> The 'euphemisation' of gambling still has a legal basis because casino advertisements are not allowed to refer to motives of financial gain in gambling. However, in the course of time, the advertising activities have taken a prominent inversion in terms of the initial purpose of this restriction. The reticence no longer concerns the social (external) acceptation of casinos but the (internal) care for customers. Holland Casino also gradually extended its advertising campaigns, both in media outlets and contents. In 1995 it added radio and television commercials to its promotional campaign. The new slogan 'Holland Casino, a wonderful opportunity for an outing' echoed in all modern media, including television.

In media representations the cultural message of and about the Dutch casinos gradually evolved from moral judgment and casino etiquette towards more documentary and seductive representations, such as we can find, for instance, in the film A Dreamscape-Gambling in America (1994).<sup>3</sup> Although the documentary does not refrain from critical remarks, it presents various aspects of casinos and gambling in an objectifying manner and leaves the moral conclusions to the subjective interpretation of its audience. We find a similar approach in the quasi documentary Dutch Roulette (1997) about Holland Casino<sup>4</sup>. One step further in this publicity strategy was the 'docusoap' Casino TV (2001), a kind of reality show in 13 episodes that depicted the everyday life of casino personnel. This TV program was intended to raise the insight of ordinary citizens about casino life, and to present a positive image of Holland Casino. It stressed in particular the hard work and friendliness of casino personnel and the high levels of casino service as well as security. The TV commercials followed a similar logic, in which conceivable, positive, and cheerful meanings of a casino visit in the personal lives of customers were presented in short humorous sketches.

In comparison with the 1980s, when it could be characterized as almost paranoid, the organizational culture of Holland Casino has become more transparent. But the media (re)presentations remain tightly controlled. Holland Casino is particularly fearful of negative publicity concerning addiction and crime with which it is occasionally confronted, for example, in 2003 with the allegations by a former employee of money laundering. Although the Dutch casinos seek to expand their advertising, and make it more explicit, advertising remains a controversial subject. In 2005 government impeded, for instance, the broadcasting of *Casino Kings*, a TV show sponsored by Holland Casino, and ended in the same year the sponsoring of the Dutch Premier Soccer League by this company. In these cases either the association with gambling was considered too explicit or the publicity was considered too promotional.

# Access

Upon entering the casino the visitor crosses the first and most important line that distinguishes the ordinary citizen from a casino customer. The Dutch casinos carefully draw and guard this line. To be admitted to the extraordinary world of the casino the visitors have to pass some kind of customs, a 'liminal space' (Turner, 1969), to be regarded as a transition zone in which a change of identity takes place. Customers have to register and identify themselves with a passport or driver's license. Even though the casinos can become very crowded and cluttered at the busy hours, Holland Casino always knows who is in the house. Next to this, there are the video cameras to monitor individuals inside the casino. The rigorous access policy is legally proscribed to safeguard that the casino admits only adults, over 18, and to be able to deny access to gamblers, either upon their own request or by order of the casino. This spatial control would not be necessary if the casino would not represent a normative order that is relatively hard to maintain. In this way the casino walls create a paradoxical freedom of action, since the gamblers may feel liberated inside as the casino is one of the few places where they are allowed to gamble.

Customers also have to pay a small entrance fee. This transaction underlines that the customer makes a conscious choice and that the casino is a consumptive facility. Furthermore, the checkpoint gives out two brochures. One about *The rules of the game*, the other about *The risks of the game*. In these brochures the casino offers a general description of the intentions of the casino, the various gambling games, of how to behave inside the casino, and about the dangers of gambling. In the brochures the Dutch casinos emphasize that gambling in state-owned casinos is always fair and safe, and that the gambling games are meant to experience excitement and pleasure during 'a fun night out.' The brochure also says that in the light of the temptations of gambling "the visitor is well advised to decide on a maximum amount to spend on one casino trip *before* entering the casino." Thus, at the entrance and in the foyer the customer is—expected to be—informed about the most important elements of the normative order of the casino.

Similarly important is, or rather was, the casino's dress code. Appearance and clothing establish a more precise tuning between individuals and the style of the casino. The dress code always has been a much discussed subject in the Dutch casinos. This is mainly so because the dress regulations have been relaxed over the years, and were ultimately abandoned in 2000-at least the explicit dress code. Before that time, a 'groomed' appearance and 'appropriate' attire was required. The positive criterion of at least 'full dress at night' was, after the required jacket and tie had already been abandoned in 1985, replaced by negative criteria of what was not allowed, for example 'faded jeans,' 'shorts,' or 'sneakers.' This relaxing of the dress code was part of the strategy of the Dutch casinos aimed at attracting a broader audience by easing up on the access policy. This relaxation of the dress code can be understood as part of a general 'informalization' (Wouters, 1986) of manners that has occurred since the 1960s. As theorized by Wouters (1986), this informalization of manners typically occurs when the mutual dependencies between social groups increase and the power differences decrease. This process seems to be at the basis of the democratization of the Dutch casinos, which are no longer associated with elite culture and have become part of popular culture.

The informalization of the dress code is evident from both a change 'of' the dress code, as it relates to notably class cultures—there no longer seems to exist a direct link between social classes and clothing—and a change 'in' the dress code, in particular an individualization of the dress code. Judging the acceptability of people's attire no longer depends on official prescriptions and authorities and is more and more dependent on the situation and personal interpretation. To Holland Casino the individualization entailed that its visitors find it less acceptable when the casino judges them by their appearance. Therefore, the checking of the public at the entrance, the doorman's most important duty, happens with the greatest prudence. The required clothing—now vaguely indicated as 'appropriate dress'—is now subject to permanent change and has become the result of negotiations.

# Game Area Divisions

For the casino as a whole the game order of the Dutch casinos is threefold, that is to say there are three separate game areas: the slot machine division, the so-called 'jackpot club'; the central area for the traditional table games such as roulette and blackjack; and the *cercle privé*, or private room. The ranking between these areas corresponds with the geometry of the building. The architectural hierarchy overlaps the cultural one, for the slot machines are at ground level, the table games at the midlevel, and the *cercle* at the top floor of the building or in some exclusive side room. The social hierarchy can be read from the popularity, the size, and the decoration of the areas and thwarts the cultural hierarchy. In the Dutch casinos the area for traditional table games is by far the most spacious, and is most central for all possible routes to get around the building. The other two divisions are on either side of the central area and are considerably smaller. The average player density

of the rooms reinforces this impression of the social hierarchy. In the jackpot club the gamblers have the least personal space to play. In the *cercle privé* the casino guards every player's personal space. From a spatial point of view the central area with the table games undoubtedly dominates the big picture. While this area has the middle position in the cultural hierarchy—beneath the private room and above the popular jackpot club, the central area is on top in the social hierarchy of the Dutch casinos.

In its turn the economic ranking of the gambling areas thwarts both the social and cultural hierarchy of Holland Casino. The returns of the slot machines division, introduced in 1986, were in the mid-1990s already as high as those of the table games, but if we calculate the costs of exploitation, which are much higher for table games than they are for slot machines—for this reason Holland Casino abandoned French Roulette altogether—the slot machines indeed render the bigger part of the profits of the casinos. In 2004 the slot machines even accounted for 60 percent of the returns, which totaled 682 million euro.<sup>6</sup> Although the returns in the central area are considerable, due to the large number of players, the profit from the private room is relatively higher because the stakes are also considerably higher. The relative large and increasing share of slot machines gives the Dutch casinos an American flavor, because many European casinos are still dominated by table games.

From this spatial arrangement we can learn that the cultural, social, and economic hierarchies of the casino are relatively independent from each other. In this respect the various game types and game areas appeal to various sorts of 'capital'—economic (slot machines), social (table games), or cultural (*cercle*)—as conceptualized in Bourdieu's (1979/1984) theory of distinction. In this respect the casino (games) seems to reflect and reproduce wider social and symbolic distinctions in society.

The spatial division of the Dutch casinos, in three game areas, does not run completely parallel to the division of the public, although most players obviously do prefer specific areas and games. To what extent the spatial division of the Dutch casinos overlaps with social and class cultural differences of the visitors, for example, in age, education, and income, Holland Casino can or will not disclose. However, apart from the question of whether the players in the different areas correspond with different social categories, the styles of the divisions, in view of entourage, the games on offer, the stake limits, and the gambling behavior, are conspicuously different. The casino style can be characterized as a hybrid culture of 'differences and variations,' which is above all noticeable in the distinctions between the three divisions. The casino unites different cultural backgrounds of gambling types under a common denominator and reduces them to stylistic differences. The carefully designed supply of gambling games, starting from the level of the tables and machines via the arrangement of games within the various divisions, up to the hierarchy of the complete casino, enables visitors to tune their individual gambling behavior to their personal preferences, financial strength,

or the impressions they want to make. This results in an enormous variety in gambling behavior within the casino, and makes the casino into a social arena, a meeting place for different social categories in which stylish distinctions can be challenged or confirmed.

The culture of 'difference and variation' of the Dutch casinos presupposes a unique attitude of the players. This is because the normative order of the casino can only be maintained to the point where the players realize that the rewards of the casino are only temporary and restricted to the game areas. Players are aware, or will be reminded of it by their gambling activities, that gambling more often ends with losses than with profits. The awareness of the relativity of the luxury, of the risks, and of the profits refers to the 'illusion' or 'simulation' as a crucial dimension in the perception of the casino. Indeed, because casino gamblers believe that they can win despite well-known statistical evidence to the contrary, Ritzer and Stillman (2001, p. 97) regard casino gambling as "self-illusory hedonism in its purest form."

Insofar as I referred in the previous discussion to the perceptions and routines of gamblers and casino visitors, I have addressed the perceived rather than the conceived space of casinos. It would be a mistake, however, to assume that the conceived space of casino regulators, managers, and designers, as put forward in advertisements, rules of access, and the arrangement of game areas, more or less automatically makes consumers behave and believe according to the values, norms, and meanings propagated by the casino. As much as road systems and traffic signs do not enforce right traffic behavior, the conceived space of casinos does not simply enforce the normative order of gambling as entertainment and fun.

Nevertheless, I do suggest that the conceived space of casinos reinforces in two ways the perception of gambling as entertainment. First, the conceived space of casinos sets constraints on the perception and use of a casino, by defining and privileging gambling behavior that is supposed to be in line with entertainment and silencing perceptions of gambling that are not. The more or less explicit definitions may be called upon if and when a consumer does not move within the margins of the conceived space. In this respect, the tight panoptic control of casino space, by casino management and personnel, gives only restricted room for deviating from the conceived space of casinos. Second, the casino inscribes desirable behavior in its games and spatial arrangements. Just like technological artifacts, casino spaces and gambling equipment contains 'scripts' (Akrich, 1992), informing users about what actions should be undertaken, when, where, and how. Holland Casino, therefore, expects that the larger part of the public will more or less instinctively appreciate and agree with the suggested framework of pleasure and entertainment, and the range of gambling options, as well as comply willingly.

Although I believe that the conception of gambling as entertainment is indeed the leading rationale guiding the development and management of Dutch casinos—as well as the dominant mode of perception—this cultural meaning neither entirely covers nor necessarily corresponds with the fully 'lived space' of casinos in Lefebvre's sense. Individuals and groups may experience their visits and gambling behavior in many different and perhaps unexpected ways dependent on the way they integrate their casino visit in their lifestyles. Gamblers may also experience the casinos with a 'social imaginary' quite different from pleasure or even challenge this cultural understanding of the casino. In this respect I particularly point to the categories, which will be discussed further on, of gambling addicts and professional gamblers. For them, casino gambling is not associated with leisure but rather with a psychic compulsion or even with hard labor.

# LIVED SPACE: SERVICING AND SURVEILLANCE

For prominent aspects of the 'lived space,' Lefebvre's third spatial dimension, of casinos we do not only have to think of gamblers, the customers of the casino. Also the casino personnel, in particular the croupiers, live in the casino and make up its space. In their everyday performance within the casinos they make their jobs meaningful and construct 'spaces of representation.' As mentioned before, lived space does not only refer to spatial practice but in addition also to the way this practice is tied to a certain 'social imaginary.' The integration of this dimension is essential to achieve a "total space of engagement and presence" (Shields, 1999, p. 164). In this section I will discuss how croupiers deal with the idea of gambling for pleasure and entertainment in their performances within the casino. This does not only involve the servicing but also the surveillance of gamblers in view of keeping off professional gamblers and addicts.

# Servicing

The work of a croupier is built up from symbols, norms, and etiquette, demanding big changeovers in the routines of daily life, from private related activities to work and vice versa. Many croupiers refer to this switch as a complete transformation. This transformation is spatially accommodated and evolves step-by-step. The personnel rooms, especially the dressing room and canteen, represent a transition zone between the croupier's private and professional life. This is where they prepare themselves for their task and where they can return to their normal selves during breaks and after hours. Using Erving Goffman's (1959) terminology, the personnel quarters can best be seen as the 'back stage' to the 'front stage' of the gambling floor, which, to many croupiers, does have a lot in common with a stage. Many of them do indeed compare their work with the performance of an actor.

The job of the croupier has clear regulations regarding outward appearances. The croupier's uniform is a Holland Casino tuxedo. The croupiers must look very well groomed and always have a polite smile ready. The actions, the physical language, the facial expressions, and the use of voice on the gambling floor are prescribed in detail. The croupier's job is very ritualized. Opening a roulette or blackjack table involves a specific ritual. All possible gambling and servicing actions have been practiced and enacted over and over again. During the game the croupiers have little latitude to deviate from the prescribed gestures and etiquette. There are with roulette, for example, strict rules for the course of the cylinder and the throwing of the bullet. The croupiers concentrate on their work and hardly talk to each other or to the guests. They exchange experiences during the breaks and in the canteen. To the untrained eye the croupiers effortlessly, automatically, and flawlessly execute their duties. To guarantee this smooth operation the division of labor comprises a strict and hierarchic personal and electronic monitoring system.

Towards the gamblers the croupiers will keep their distance. A croupier will generally pretend not to know or recognize acquaintances from outside the casino. This is to avoid any appearance of favoritism. Croupiers concentrate on the game, and virtually all contact with gamblers passes through the game. The playing positions of the gambler and the croupier are relatively autonomous. The casino is very reserved when it comes to direct interactions between croupiers and gamblers, although they do occur sporadically. A croupier, for instance, comments upon this in reference to her training period:

After a while it gets better as you learn to control the game. You also get to know the guests a little bit and become somewhat freer at the table. In the beginning you have no freedom at all. Especially during training, there is no room for any joking. On the floor, though, there is some joking. You don't learn that in training but then again, you can't really learn that. It all comes down to a feeling. You can't start out all loose and easy. You don't know the people you're dealing with and how they will react. If someone loses thousands of guilders you cannot joke around with him. (Croupier, cited in Kingma, 2002, p. 369)

Holland Casino even encourages a certain 'informalization' (Wouters, 1986) in the interaction between croupiers and players. This is linked to the informalization of the dress code as discussed in the previous section. The level of informalization depends on the situation, the customers and the croupier's personal skills and preferences. A croupier says, for instance:

I like the Saturday night blackjack the best. The place is swamped. The guests are not very experienced which means you can have a bit of fun. These people really see you as a croupier. A regular visitor only sees you as somebody who is taking their money.  $(\ldots)$  The people that come in on Fridays and Saturdays really look at your skills, how you throw and draw, how fast and all. You can hear them whispering. That's nice. Then you make a little show out of it. (Croupier, cited in Kingma, 2002, p. 370)

Within Holland Casino there are different opinions on where to draw the lines. As appropriate behavior is measured by each individual situation, the common sense and the beliefs of the personnel are constantly relied upon to make their own appraisals. There is one exception to the rule that the croupiers, however flexible they may be in this, must keep their distance from the gamblers at all times. This is the practice of tipping, or as they say in the Dutch casinos, the *tronc*. Due to the fact that their wages are partly dependent on their tips, the croupiers lose some of their autonomy with regard to the gamblers. Therefore, tipping strategies are a sensitive subject that croupiers handle with care.

The *tronc* holds a historically unique position in the culture of casinos. The *tronc* originated in the early days of roulette, when croupiers almost solely depended on the generosity of gamblers. The ritual words *Merci pour les employés* are just as common at the tables as *Faites vos jeux* and *Rien ne va plus*. When a group of new guests received an instruction of roulette, in one of my observations in the mid-1990s, I listened in and the croupier was very clear about the meaning of the *tronc*, "as this is where the wages of the croupiers are paid from"—he suggested that this was actually the only source for the wages.<sup>4</sup> He also stated that tipping is part of the etiquette of roulette, and that it is therefore not acceptable to not tip. Every croupier has his ways and schemes to more or less subtly point out the custom of tipping, for instance, reserving at least one share, i.e., the stake of the profit of a single number, a so-called *plein*, 'for the personnel.' There was a sharp distinction between the official policy of Holland Casino, i.e., the conceived space of tipping, and the lived space of tipping as experienced by this croupier:

Officially the company states that "there is no obligation for guests to tip," but that is not how it really works. If you are dealing with a guest that tips really badly you try to "teach" them. You slide the stack towards him while stating loud and clear how many pieces they are. If he really refuses there are other ways. For example, you only pay him at the last moment. And if another guest tips you point to him, letting him know that this is the way to do it. You can even slide a large win towards him and push the stack over right in front of him . . . Some are more sassy at this than others. I won't really embarrass anyone. But these things happen. Afterwards we laugh about it in the canteen . . . These things are also a way of proving yourself to your colleagues. It is a bit of a sport. (Croupier, cited in Kingma, 2002, p. 371)

# Surveillance

The casino guards the game order with a security system that is unparalleled in the world of entertainment. Security as a primary concern is manifested clearly in the specialist security service. Still, the guards and their surveillance equipment are nothing more than the visible outer layer of a complete

security system, which is deeply integrated with the design of the building, with the organization, and with the company culture. In this respect the casino can very well be regarded as a 'panoptic space,' a complex organizational design of spatial arrangements, behavioral norms, and surveillance (Foucault, 1975). For example, Holland Casino checks the 'antecedents' of all personnel. There also are strict rituals and procedures for the handling of money, chips, and *jetons*, the transport and counting during table openings and in the counting room, for entering certain rooms, for the changing of the croupiers, and the paperwork. The security staff is there to make sure that these regulations are followed strictly and surely. Breaking a rule will have serious consequences like summary dismissal for any form of theft. After all, the casino can be seen as a giant open slot machine, running on a large flow of transactions of which the outcome remains unknown until the counts. To monitor the cash flows the Dutch casinos make use of electronics where they can, for instance, register the money inside the slot machines and the counting machines at the American Roulette tables. In addition, many video cameras observe every move of personnel and gamblers.

The most important effect of the security system is, according to management, not that it traces crime and thefts, which it effectively does in incidental cases, but that it has a preventive effect. Personnel and customers adhere to the rules because they are aware that they are under surveillance. The security measures are not so much meant to penalize offenders or exclude them from the casino, which only occurs sporadically in the case of extreme breaches of the rules that subvert the casino. The purpose is to be able to intervene and correct at an early stage so that the individuals involved can return to the acceptable normative order of the casino. There are nevertheless performances and types of gamblers that are excluded from the casino, notably related to the extreme and threatening categories of professional and compulsive gamblers.

Professional gamblers constitute, just as cheaters and thieves, a burden to casinos. In particular blackjack gives the gambler a statistical advantage over the house, and this also was the case in the Dutch casinos (Van der Genugten, 1993). This advantage could only be actualized on the conditions that the gambler is very experienced, very concentrated, and invests a lot of money and time in his or her 'work.' Blackjack professionals are called 'card counters' because their strategies are based on counting the cards that are drawn in a game. In 1981 Holland Casino for the first time officially tried to keep away card counters by prohibiting the taking of notes during the games. In 1993 a serious confrontation with card counters occurred again, when the Amsterdam casino denied access to the cercle privé to a group of seven professionals. And in 1996 the international renowned card counter John Taramas, alias Johnny the Greek, pressed charges against Holland Casino and demanded compensation because of the warnings and gambling prohibitions this company issued against him. Shortly after this incident the introduction of automatic card shufflers at Holland Casino almost nullified

the statistical advantages of blackjack players. However, this does not mean that blackjack players do not count cards any more, nor indeed that strategies aimed at influencing the outcome of the games are absent in casinos. I am not merely referring here to magical beliefs and superstition. Not all casino gamblers accept the game events as unpredictable and passively await the outcome. This has been clearly argued and demonstrated by Oldman (1974) in a study of roulette in a British casino in the early 1970s. Oldman distinguishes between the ratio of the game and the ratio of the gambler, which resembles Lefebvre's distinction between 'conceived' and 'lived' space.

Whilst the theory that formulates the game is drawn from mathematics  $(\ldots)$ , the theories that give the players ways of, and reasons for, playing are diverse and dependent upon the context of play, the players' location in a wider social structure, the social organization surrounding the play, and so on. (Oldman, 1974, p. 412)

Based on this distinction, Oldman clarifies a remarkable paradox at roulette, namely that while this game is designed as a game of chance, players can also play this game as if it requires a certain amount of skill. The suggestion that players can influence the outcome of the game is tied up with the culture of roulette. Oldman claims that two thoughts feed this suggestion: (a) one can recognize patterns in a series of numbers, and (b) the croupier can influence the course of the bullet. In any case the first suggestion is clearly supported by the Dutch casinos, where at every gambling table the last 20 numbers are displayed on an electronic screen.

Apart from professional gamblers, gambling addicts can also constitute a burden to casinos. This is because bad publicity can subvert the legitimacy of casinos. At Holland Casino individual gamblers have always had the option of a voluntary personal exclusion. In the early 1990s Holland Casino introduced more proactive addiction policies in which casino personnel was trained to spot and caution compulsive gamblers, or 'problem gamblers' as gambling experts and casino operators prefer to call them (Rosecrance, 1988). However, personnel and psychological experts agree that, apart from the obvious and dramatic cases, it is hard to fix gambling addicts unambiguously. Repeated or high financial losses are not a sufficient criterion. Furthermore, what appears to be compulsive behavior may have other than gambling related causes. Inveterate addicts can moreover mask their addiction and behave like common gamblers. Ultimately, an addict can always ignore the advice of casino personnel to take a personal exclusion, however urgent the advice may be. These observations serve to indicate that a casino has perhaps strong options to correct behavior on the level of spatial practices but has only limited power over the fully lived space of gamblers.

Insofar as I referred in this section to the rituals and official procedures of casino personnel, I have addressed the perceived and conceived space rather than the lived space of casinos. However, my point is that in the performance of servicing and surveillance casino personnel charges these routines and procedures with values and meanings that go beyond, and can even contradict, official casino policies. I would like to argue that the servicing and surveillance by casino personnel address and reveal certain aspects of the lived space within the Dutch casinos.

I suggest in particular that the discussed 'spaces of representation,' those regarding informalization, tipping strategies, skill, and addictive behavior, relate in two ways to the confinement of gambling as entertainment. First, all these practices are regarded as 'exceptions' to the rule of pure entertainment. These practices do not imply that informal interaction with croupiers, tipping strategies, influencing outcomes of the game, or addiction, are completely ruled out. Rather the casino puts restrictions on these social imaginaries and performances regarding gambling. The discussed practices highlight the edges between what is and what is not acceptable behavior within the casino. This means that the casino and its personnel maintain a distance vis-à-vis gamblers, conceal tipping strategies, maintain the statistical advantages visà-vis the gambler, and that the casino renounces the deliberate exploitation of addicts. The exceptional status of these practices confirms that at Holland Casino gambling for pleasure is the dominant mode of experience.

Second, the practices related to informalization, tipping, skill, and the exclusion of professionals and addicts should be understood as referring to 'maximal standards.' In practice the casino enables more, but less pronounced, informal interactions, tips, profits, skill, and addictive experiences than might be expected on the basis of discussions about these subjects. This is because most gamblers play for fun, tip voluntarily, and do not bother to minimize their losses on the basis of rational calculations. Also, in casino practice there is a greater addictive involvement in gambling than that which is evident with the problem gamblers who are confronted by the casino. This is because the casino can perhaps discourage some addicts but it cannot prevent-the genesis of—a complete devotion to gambling. The point here is that certain levels of informalization, tipping, skill, and addiction are part of the idea of pleasure and entertainment as the lived space of casino gambling. These practices represent values and meanings that can be invested in gambling but that are only allowed insofar as these meanings are confined to the space of the casino, and do not become consequential for the subsistence of the casino, the profession of the croupiers, or the lifeworld of gamblers. The discussed practices can be understood, in other words, as part of constructing 'simulations' or 'illusions' of, for instance, camaraderie or showdown with croupiers, illusions of skill and control over gambling, and illusions of escape and relief.

## CONCLUSION

In this chapter I have analyzed the spatial strategies regarding the segregation, confinement, and concentration of gambling games within casinos,

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and how these strategies are involved in the social construction of gambling for pleasure and entertainment. I suggested that the tight spatial control over casinos serves as a precondition for the expansion of casino markets. Casinos frame and guard, as we have seen in the case of Dutch casino space, gambling games as commercial entertainment. However, one could also reason the other way around, namely that the (re)definition of gambling as commercial entertainment-the 'euphemisation' of gamblingenabled the expansion of casino markets. This is because, as we have also seen, casino practice is influenced by developments in the wider society. I have analyzed this dialectic using Lefebvre's distinctions between 'spatial practice,' perceived space; 'representations of space,' conceived space; and 'spaces of representation,' lived space (Lefebvre, 1991; Shields, 1999; Soja, 1996). These dimensions always operate together, although the relative importance of these dimensions is context-dependent and may vary over time (Shields, 1999, p. 167). The Lefebvrian dimensions were understood as referring to the ontologically different ways organizational actors relate to space. The involvement of various groups of actors, related to the state, to casino operators, or to consumers were further analyzed in reference to ANT (Latour, 1987, 2005; Lee & Hassard, 1999). My analysis was particularly directed at the spatial construction of gambling pleasure 'as entertainment,' which in the contemporary condition stands out as the dominant cultural meaning associated with commercial gambling. In the concluding paragraphs, I would like to discuss the ways in which the place-making of casinos is involved in the social (re)construction of gambling pleasure and entertainment.

First, a casino is not to everybody a well-defined and easily recognized entertainment facility they are constantly aware of. This makes the planning and architecture of casinos of great importance for the way casinos can be integrated in the everyday routines of customers, tourists, and urban dwellers. I have suggested that the newly designed urban Dutch casinos of the 1990s reinforce the cultural meaning of entertainment because the glamorous architecture and 'theming' (Gottdiener, 2001) of the casinos first separates the gambling games from the urban environment, and thus dissociates for outsiders the casino from gambling, and second associates the casino with an urban environment designed for consumption and entertainment. This makes it relatively easy to simply follow this preconceived idea and perceive a casino as an entertainment facility, in particular for those who have no specific knowledge of the history of the casino, or who do not bother to investigate what exactly is going on behind the scenes and do not explicitly reflect upon casino gambling. Of course, this does not mean that people are complete 'spatial dopes,' or that 'entertainment' and 'pleasure' are their only options of interpretation. It does mean, however, that people to a certain extent routinely reproduce certain understandings of casinos that are only occasionally, under specific circumstances, explicitly questioned, (re)considered, or (re)negotiated. It also means that entertainment is a dominant perception of casinos, and that this perception can be managed through spatial design.

Second, this understanding of the constructed or 'manipulated' character of entertainment in spatial design does not imply that entertainment can be conceived as a more or less self-evident and unambiguous concept. Rather, it renders 'pleasure' and 'entertainment' as problematic concepts that beg the question of what organizational actors mean by 'pleasure' and how they incorporate entertainment in casino space. I have suggested that the Dutch casinos, in an obvious strategy aimed at the normalization of gambling, almost convulsively 'euphemize' gambling in linking it with the idea of entertainment. I have argued more specifically that the conceptual power strategies first set constraints on the conception of casinos and secondly 'inscribe' desirable behavior in gambling equipment and spatial arrangements. In its advertisements and other media representations, Holland Casino reduces a casino visit to an aesthetic experience and silences the gambling part. Further, upon accessing the casino this company informs visitors about the basic elements of its normative order, which are claimed to assure the 'guest' a 'pleasant outing' and make him or her aware of the 'dangers of gambling.' Moreover, the carefully designed divisions and variations in gambling areas within the casino facilitate a culture of 'difference and variation' in gambling behavior, creating a social arena and enabling the experience of luxury and risks for a wide range of social groupings. Again, all these discourses and conceptual normalization strategies by the casino organization do not imply that people more or less automatically behave according to the idealized values and beliefs of the casino. However, it does mean that casino organizations exert considerable definitional power and influence the signification of gambling space. Following the logic of ANT the development of the new Dutch casinos went together with the 'translation' (Callon, 1986; Latour, 1987) of the casinos into the terms of the organizational actors and interests that are involved. They influence the exploitation of casinos, causing the practice of casino gambling to gradually change. In this respect the successful integration in the casino network of urban politics, postmodern architects, advertising specialists, and new target groups of consumers, as well as responsible gambling policies, were of special significance.

Third, the full meaning of gambling as entertainment is only realized in the performance on the gambling floor of the casino. This not only includes the performance of gamblers but also the performance of casino personnel. I suggested in particular that servicing and surveillance address and reveal certain aspects of the 'lived space' of Dutch casinos. Casino personnel invest values and meaning in casino rituals and policies, first by exploring the edges between acceptable and not acceptable—excessive—behavior, and second by developing new, maximal standards for gambling pleasure. In this way casino personnel shape the normative order of casinos. It is worthwhile to stress that Foucault's notion of 'discipline' was not so much directed at restricting behavior as on the effects of restrictions (Foucault, 1975), in our case the construction of gambling norms. Although Foucault in his work

often stresses the negative strategies of punishment and restriction, positive strategies related to rewarding and permission should be regarded as equally significant. Casinos should, in fact, quite different from institutions like prisons or asylums, be regarded first and foremost as rewarding institutions. These consumptive facilities motivate and steer behaviors with an array of more or less subtle rewards, obviously through the occasional wins at the gambling games. In the strategies of informalization and tipping the croupiers flexibly manage the standards of interaction with gamblers. In the skillful strategies of influencing the outcome of the game, gamblers to a certain extent redefine a game of chance into a game of skill. Also, in discouraging a professional or addictive involvement in gambling, casino personnel set limits on these kinds of excessive experiences and performances inside the casino. However, the casino does not completely exclude all these experiences. On the contrary, within certain but not fixed limits, the casino assimilates these experiences in the concepts of pleasure and entertainment. They are part of the construction of 'illusions' in the experience of gambling, which, in line with Baudrillard's (1990) semiological spatial analyses, is for many perhaps better understood as a 'simulation' of gambling. Lefebvre's concept of 'lived space' seems particularly suited for highlighting such positive and imaginative aspects of casino space. In this respect Lefebvre's dialectic stresses the paradoxical relationship between casino space and entertainment. For, while the confinement of gambling in casinos enables and enhances gambling opportunities, this confinement at the same time reshapes gambling experiences as a form of commercial entertainment.

# ACKNOWLEDGEMENT

Parts of this chapter have been adapted from the following article: Sytze F. Kingma, (2008, March), Dutch casino space or the spatial organization of entertainment. *Culture and Organization*, 14(1), 31–48.

# NOTES

- 1. Wet op de kansspelen, *Handelingen der Staten-Generaal*, 1972–1973, 1410 [Proceedings from Dutch Parliamant]. All the cited phrases are personal translations by the author.
- 2. Holland Casino, *Reclamecode casinospelen*, Hoofddorp, maart 1991[Advertising code Holland Casino].
- 3. Bernie IJdis, (1994), A dreamscape—gambling in America [Documentary].
- 4. 'Hollandse Roulette' (Dutch Roulette), Television Broadcasting, VARA/ NPS, October 1997.
- 5. Holland Casino, Annual Report 2005.
- 6 According to Holland Casino management the policies regarding tips have recently become stricter.

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# Part III Gambling Contexts

# 7 "You Could Become a Millionaire" Truth, Deception, and Imagination in Gambling Advertising

Per Binde

#### INTRODUCTION

In the past 40 years the views on gambling in Sweden and many other Western countries have become more liberal. This is a consequence of the shift from industrial to postindustrial society, implying that citizens primarily are viewed as consumers rather than producers (Abt, Smith, & Christiansen, 1985, chap. 6; Binde, 2005b; Kingma, 1997; Reith, 2007). In Western industrial societies, gambling had been condemned on moral grounds and according to the Protestant work ethic. Citizens should work diligently and not indulge in fantasies about becoming rich without effort by entering lotteries, nor should they waste time on card games and other forms of gambling. With citizens viewed as consumers rather than producers, gambling emerges as a consumer product offering entertainment, excitement, an opportunity to socialize with others, and other experiences that people are willing to pay for. The moral stigma, which had previously marked gambling, has largely vanished. Nowadays in Sweden, for instance, people need not feel shame when buying a lottery ticket or entering the football pools. A day at the trotting track is today marketed as a family excursion, and the old image of the racetrack habitué as an inveterate and degenerate gambler is largely gone.

While gamblers no longer are perceived to be immoral, companies that offer gambling are instead the target of moral critique. Excessive gambling is generally considered to be a serious social and public health problem, and companies that offer gambling products in what is perceived as an inappropriate manner are, in the public debate, criticized for acting unethically and irresponsibly. The critique concerns activities such as the offering of games with a high risk for problem gambling—e.g., slot machines gambling offers in new environments—e.g., instant lottery ticket sales in food stores—and specific efforts to make females and young adults gamble more. Many companies are also harshly criticized for making massive and misleading promotions for gambling. This chapter will discuss what might be considered as misleading gambling advertising, and what kinds of advertising messages appear as comparatively inoffensive and responsible.

In Sweden, widespread gambling advertising is a relatively recent phenomenon. Prior to the 1970s, the promotion of lotteries and gambling was deemed inappropriate by the authorities responsible for the regulation of gambling. Licenses to arrange lotteries and betting were granted to only a few Swedish operators and nonprofit organizations, on the premise that these passively met the demand for gambling among the public but did nothing to increase it. Neither the state-controlled gambling companies nor lotteries arranged by charities or sports associations were allowed by these licenses to do more than minimal promotion of their games. When in the 1970s the general attitude towards gambling became more liberal, advertising for games started to appear. Beginning in the early 1980s, commercial thinking in promoting and running games is now the rule and advertising has increased greatly, especially since the late 1990s.

In Sweden, gambling companies' investment in advertising in 2006 was over four times higher than in 1995 (Binde, 2007c). This rise in advertising volume has been readily visible to anyone watching television, reading newspapers, or moving about in a city center. Gambling advertising seems to be everywhere, flooding us from all directions.

Until the introduction of remote and electronic gambling, most gambling advertising in Sweden was bought by the large state-owned company Svenska Spel, which has a total market share of about 50 percent and operates mainly lotteries and sportsbetting, and the state-controlled company ATG, which has a monopoly on horse betting. In 2003, Svenska Spel was the sixth largest advertiser in Swedish mass media, investing SEK 293 million (27 million euro) in advertising. In 2006, the company spent a little less, SEK 277 million (25 million euro), while the advertising expenses of foreign Internet gambling companies had increased greatly to SEK 677 million (62 million euro). Much of the Internet gambling promotion is via television. In 2006, Internet poker commercials appeared almost every day on some channels.

In Europe, the issue of gambling advertising was brought to the fore in 2003 by the ruling of the European Court of Justice (ECJ) in the Gambelli case (Tribunale di Ascoli Piceno (Italy) v. Gambelli; Verbiest & Keuleers, 2004). The Gambelli case concerned compatibility between national legislations, which may restrict gambling operations in a European Union (EU) member state, and the European Community (EC) Articles 43 and 49. These two articles stipulate the freedom of establishment and the freedom to provide services within the EU. The Court acknowledged that national authorities may invoke 'public order concerns,' i.e., pertaining to damaging consequences of betting at both individual and social levels, in restricting commercial operations in the gambling sector. However, the Court ruled that states may not impose such restrictions "in so far as the authorities of a Member State incite and encourage consumers to participate in lotteries, games of chance and betting to the financial benefit of the public purse" (Tribunale di Ascoli Piceno (Italy) v. Gambelli, ¶ 69).This case law paragraph means that if state-controlled gambling companies advertise their products with the intention to make money, then the state cannot exclude private and foreign operators from the gambling sector. The ruling of the Gambelli case has been of great importance in subsequent juridical matters concerning national gambling legislations in the EU (Swiss Institute of Comparative Law, 2006).

Demands for restrictions on gambling advertising have been made in the Swedish Parliament by members of four of the seven political parties. Christian organizations have made such demands also, as have other nongovernmental organizations, most notably the National Association of Gambling Addicts, a self-help organization. The main point of criticism is the claim that massive and aggressive gambling advertising contributes to problem gambling. A committee of inquiry into the Swedish gaming legislation proposed in 2008 that the Lotteries Act should be rewritten so as to enable the limitation of the extent as well as the content of marketing of gambling products; a total ban is proposed on the promotion of games that entail a significantly heightened risk of gambling addiction (SOU, 2008, p. 124).

When Swedish gambling policy is debated in mass media, which happens virtually every week, the issue of advertising is regularly brought up. Critics argue that gambling advertising in general is undesirable and harmful, but they target in particular the advertising of the main state-owned gambling company. That advertising is seen as a sign of moral corruption of the state's gambling policy, by stating in words that gambling has harmful consequences but in practice exhorting people to play even more, and making a lot of money from that. Representatives of the state-owned gambling company and the government have answered with counterarguments. One such argument is the need to attract players to Swedish regulated gambling, away from foreign unlicensed Internet gambling operators. Another argument is that much of the company's advertising is for comparatively harmless games, such as lotto and instant lotteries.

Thus, in Sweden gambling advertising has become a politically hot issue. In part this is because of the great increase in the amount of advertising in the past few years and in part because of the EU complications. On a more fundamental level, however, the critique of gambling advertising reflects a somewhat paternalistic aspect of Swedish welfare ideology. Throughout the second half of the twentieth century and continuing today, the Swedish state has regulated the commercial content in mass media more strictly than in many other Western European countries. Radio and television broadcasting were restricted to state monopolies up to the late 1980s and there is still a film censorship authority. Alcohol advertising was banned in 1978 and is currently only allowed in very restricted form, and tobacco advertising has been illegal since 1993. Television commercials targeting minors below the age of 12 are not allowed. Intellectuals have fulminated against advertising, as in the book *Reklamen är livsfarlig: En stridsskrift* [Advertising is deadly dangerous: A polemic pamphlet] (Lindqvist, 1957), published

originally in 1957 and reissued in 2001. In this book advertising is viewed as capitalist propaganda, distorting our minds and causing or contributing to virtually all social evils in modern society. Thus, in Sweden there has long been a prevalent view that commercial interests, including advertising, may make mass media messages harmful and that the state therefore to some extent should restrict the commercial content of mass media in order to protect the citizens from being negatively influenced (Grusell, 2008).

The critique of gambling advertising in the Swedish public debate includes the following arguments:

- Gambling advertising greatly increases participation in gambling and the amount of money spent on gambling. This is bad since people already waste too much money on gambling.
- Gambling advertising creates problem gambling, and makes the problems worse for those who are already addicted to gambling.
- It is morally unacceptable to promote gambling by means of massive advertising when it is known that excessive gambling causes considerable individual suffering and imposes high social costs. This applies in particular to the state-owned gambling company.
- Gambling advertising undermines the work ethic and incites fatalism, materialism, hedonism, irrationality, and social and political passivity.
- Gambling advertising is, to a large extent, misleading. Therefore, it has a particularly insidious power to incite people to gamble and cause social harms.

This chapter addresses the last of these arguments, that gambling advertising is misleading. While critiques of gambling advertising as being deceptive are quite common in public debate, there are few academic studies on the subject. The economists Clotfelter and Cook (1989, pp. 208–212; 1991) and Clotfelter, Cook, Edell, and Moore (1999) have criticized lottery advertising for being misleading, exploiting superstitions, and for emphasizing winners while keeping silent about the statistical chances of winning. These authors conclude that: "perhaps it is time for a little honesty in lottery promotions" (1991, p. 232). The philosopher Gehring (1999) argues that American state lotteries are a 'swindle' rather than a sale, because much of the promotion is misleading. She claims that people are encouraged to believe that they are buying one product when they are really buying another, for example, by being given the impression that the state-supported lottery offers a prudent personal investment strategy. The marketing scholars Stearns and Borna (1995) maintain that, using standards from the marketing literature, lottery advertising is deceptive.

In discussing truth, deception, and imagination in gambling advertising, this chapter makes a distinction between objectively and subjectively misleading advertising. From a cultural perspective, the chapter also elaborates on the distinction between the 'real' world of games and the 'dream' world of gamblers, i.e., on the one hand the statistics and economy of gambling games and on the other hand the optimistic and imaginary attitude brought to these games by the consumers of gambling products.

The examples of advertising that will be discussed are drawn from a convenience sample of about 250 Swedish items—including newspaper and magazine ads, posters, billboards, direct mail advertising, and television and movie commercials—collected by the author when working on a report on gambling advertising (Binde, 2005a). The material was collected mainly in 2004 and is fairly representative of Swedish gambling advertising in that time period. Although this chapter addresses primarily Swedish gambling advertising most of the issues discussed are relevant to gambling advertising more generally.

#### GAMBLING ADVERTISING

To discuss what might be regarded as deception, we need first to get an idea of the characteristics of gambling advertising. In what ways does it try to persuade people to participate in games? What is its repertoire of rhetorical and psychological tactics?

#### How Advertising Persuades

There are quite a number of theories about how advertising persuades people to adopt products, services, and ideas (Meyers-Levy & Malavyia, 1999; Vakratas & Ambler, 1999). The theories differ in general approach—mainly as to whether cognitive or emotional factors are emphasized—and as to the focus of interest, such as various types of advertising and short- and longterm effects. For the present discussion a straightforward three-component model—including attention, offering, and product association—will serve as an introduction to how advertising persuades.

Advertising needs to capture at least some level of attention. This may nowadays be hard to accomplish. Many consumers feel they are being showered with advertising and have adopted a defensive and skeptical attitude, which ads must penetrate. Creativity and humor are often used for that purpose. If an ad is witty and entertaining, then there is a good chance that it will capture attention. Humor as a persuasive tactic has other advantages as well. It is in general easier to persuade a person who is in a good mood (Gardner, 1985), and a lighthearted tone in advertising helps disguise the fact that commercial ads are all about serious business, their objective being to sustain or increase sales.

Catching high attention is essential for ads with a predominantly verbal and informative message that appeals to reason, while low attention might be sufficient in brand-building advertising using emotional imagery

to influence perceptions and attitudes (Heath, 2000). Some research suggests that that low-level cognitive processing may actually be preferable in brand-building promotion, since too high attention may make the audience wary of repetitive advertising and cause critical reflection on both its extent and content (Heath, Brandt, & Nairn, 2006).

In capturing attention, gambling advertising is no different from any other advertising. Humor is often used, as are other well-known measures, such as huge text on billboards, celebrity endorsement, and the repetition of a message over and over again.

Virtually all advertising for consumer goods and services presents an offer. The offer might be straightforward, for instance an ad with the text that delicious apples are on sale in a certain store at a discount price. The offer may also be largely implicit, for instance a television commercial showing young people at a beach party dressed in trousers of a certain brand, implying that the trousers are for sale in stores.

The offer may or may not contain verbal statements forming the basis of arguments for buying. In the apple ad example, it is stated that the apples are both delicious and cheap, which is the base of the argument that they should be bought. Statements in verbal arguments are in principle either true or false, but in practice it may sometimes be difficult to assess which is the case.

In the example of the trouser television commercial, there is neither a verbal statement nor an explicit argument for buying. Instead there is an association between a brand of trousers and youthful lifestyle, fun times, and being attractive to the opposite sex. Although this association may be considered as a kind of visual argument (Blair, 1996), it is hardly a statement that can be proven to be false. Even if the brand of trousers today is not to any appreciable extent associated with young people having fun, it might be so in the future and the commercial could be interpreted to depict that possible future. The nonverbal visual and symbolic associations in advertising, between on the one hand brands and on the other hand qualities that segments of the consumers perceive positively, make an emotional appeal and are open to interpretation (Olins, 2003).

Therefore, contemporary advertising is for the most part a symbolic form of communication in which the basic exhortation to buy is expressed in visual images and verbal phrases charged with cultural meanings (Williamson, 1978). In principle, each individual makes a private interpretation of advertising messages. This is because each individual has a unique configuration of personal experiences and ideas that constitute the frame of reference according to which symbolic messages are interpreted. However, in a given culture, a great part of the frame of reference is shared, consisting of common knowledge, social values, and cultural codes.

In Swedish gambling promotion we find the whole range of advertising messages from specific offerings to brand building. There is informative advertising, covering current jackpots, new games, lotteries financing good causes, and special events and offerings. There is advertising suggesting that one may become rich by entering the lotteries and that knowledge is essential for success in sportsbetting. There is advertising emphasizing the fun of gambling, the excitement of playing, the entertainment offered at casinos, and many other things that pertain to the experience of playing and the environments where gambling takes place. There is also brand advertising, in which games and companies are associated with attitudes and lifestyles that are assumed to be attractive for current and potential customers. For instance, the state-owned Svenska Spel invests much money in building a brand image of reliability and responsibility. The state-controlled horse betting company associates its brand with the horse, portrayed as a beautiful, powerful, and strong-willed animal.

In what follows, however, we will focus on the psychological and rhetorical devices that have to do with the chances of winning, and not on brand building or advertising related to the environments and experiences of playing. The issues of deception mostly concern the suggestions in advertising about the chances of winning. Furthermore, the possibility to win something of value, by staking something of lesser value on a game of uncertain outcome, constitutes the core of all gambling, while the environments and experiences may vary greatly.

### "You've Got a Chance to Win," "Winning is Easy"

Virtually all gambling advertising is based on the explicit or implicit message that the player has a chance to win. This message is certainly true, but the probability of winning a lot of money for a modest stake is very small. According to prospect theory (Kahneman & Tversky, 1979), people are inclined either to overestimate or underestimate very small probabilities. Individuals may overestimate the chance or risk of a low-probability event, because this facilitates thinking about what attitude to take to the event. Conversely, they may disregard the possibility of such an event occurring and not bother forming an idea of how to behave in case it actually takes place.

In the case of risks, in the sense of undesired events that may or may not occur, it is consequently easier either to take precautions as if the danger were clear and present or to take no precautions at all. To take precaution in proportion to the risk of the event often requires quite complex thinking. Similarly, some people never buy lottery tickets. They believe that they "don't have a chance of winning," which in fact they do have, and do not give a thought to how winning the jackpot might change their life. At least in Sweden, however, there are far more people who enter the lotteries than those who never do so. This suggests that it is more common for the insignificant chances of winning tries to reinforce such an exaggeration in various ways (Mumpower, 1988). The most basic method of reinforcement is to state that the player has a chance to win. Often this is done through the expression that the player 'can' win, such as "You can win a million"

and "The ticket that can transform your life." In such expressions, possibilities replace probabilities. It cannot be denied that the gambler can win, but this statement overshadows the question of how probable a big win really is. Expressions suggesting that "winning is easy" are also quite often found in Swedish gambling advertising.

# "There Are Many Winners"

Generally, human beings are more geared towards interpreting events in the world as the result of causality than as the result of randomness (Neuringer, 1986; Wagenaar, 1972). The concept of randomness is a recent one in the history of science (David, 1962; Gigerenzer et al., 1989). When in everyday life we need to get an idea of the probabilities involved, we use rules of thumb, or 'heuristics' (Tversky & Kahneman, 1974). Usually, these work quite well but have the drawback, in certain circumstances, of leading to the over- or underestimation of probabilities. One of these rules of thumb is the availability heuristic (Tversky & Kahneman, 1973), i.e., the easier it is to recall that something has happened before, the more likely it seems that it will happen again. The ease of recall depends mainly on two factors: the frequency of events and their saliency.

Since winning a top lottery prize is a very rare event, it is impossible for an ordinary player to judge its probability from personal experience. It would take millions of years of playing a weekly lottery with ordinary stakes to gain such experience. The player may, however, get an impression of the probability by observing how often other people win. Therefore, gambling advertising often presents previous winners, and lottery operators in Sweden join with television networks in broadcasting almost every day lottery draws and lottery shows. Lucky players, who have qualified for this in previous draws or as an instant lottery prize, are shown winning the final prize, which is always big and sometimes very big. This creates the impression that there are many people who win, which might appear to be true in terms of absolute numbers, but is certainly not true in proportion to the total population. In Sweden, approximately 100 people become lotto millionaires each year, but since Sweden has 9 million inhabitants, only 1 out of 90,000 citizens becomes a lottery millionaire in a given year. Furthermore, the saliency of happy winners appearing on television is high and most of them are ordinary people with whom it is easy to identify. The viewers are inspired to think "it could have been me."

# "Imagine Yourself a Winner"

If we think a lot about a possible event and vividly imagine it, then this event becomes more available in our memory and we judge it to be more likely to occur than would otherwise be the case. This is an instant of the availability heuristics. For example, in an American psychology experiment in the 1970s, subjects were given the task of imagining that Jimmy Carter had won the upcoming presidential election. These subjects later estimated Carter's chances of winning the election to be significantly higher than control subjects did (Carroll, 1978). As an analogy, one could assume that people who imagine themselves as winners of a lottery jackpot would rate their chances of becoming winners to be higher than those who do not imagine this (Ward & Hill, 1991).

Gambling advertising frequently encourages people to imagine themselves as winners through expressions such as, "What would you do if you won a million?" or "You could win one of 100 new cars—which one will be your choice?" Ads that encourage a person to think of the particular item that he or she dreams of winning or of buying with prize money also have the effect of enhancing the subjective value of the prizes. A person imagines winning the specific car of his or her dreams, not just any car. Furthermore, when confronted with coverage of winners in the mass media or in advertising, people might be prone to think "it could have been me," which is counterfactual thinking (Roese & Olson, 1995). Counterfactual thinking—i.e., exploring in thought and imagination how life would have been, if only some decisive events had occurred or not occurred in the past—could obviously stimulate the imagining of one's self as a lottery millionaire (Landman & Petty, 2000), and increase the saliency of seeing winners in media appearances.

### Focus on the Total Sum of Winnings or the Total Amount of Prizes

A rule of thumb for judging one's chance of getting a share of something that is randomly distributed among many people is to take account of the total amount to be shared. According to this rule of thumb, the more there is to share, the bigger one's chances of getting part of it. Gambling advertising may exploit this heuristic by focusing on the total sum of winnings (Ward & Hill, 1991). For example, a Swedish horse betting company published ads that read, "One billion in winnings last year" and "A thousand million in winnings last year," i.e., the same huge sum, but phrased differently. Other versions of this tactic are to state in advertising the average weekly sum of winnings or to show collages of various kinds of attractive goods that can be won in lotteries. In a more symbolic fashion, gambling is marketed using illustrations of golden treasures, heaps of coins and bills, horns of plenty, and magical pots, conveying an image of wealth so immense that there is plenty for all.

### Emphasis on Consequences Rather than Probabilities

In risk research, it is well known that people's attitudes to potentially dangerous technology and health threats are based not so much on their estimates of the probability of the harmful event occurring as on its imagined consequences (Slovic, 2000). For example, the risk of contracting the

infectious variant of Creutzfeld–Jakob disease, the human form of 'mad cow disease,' is minute. No person in Sweden has yet contracted the illness and in the United Kingdom, the country where most cases have been recorded, the number of people who have died from the illness between 1996 and 2004 are less than 150. However, the consequences of this inevitably fatal ailment—the brain is eaten away until death finally liberates the sufferer from pain and dementia—are so horrible that in Sweden many people cut down on their meat consumption when in the 1990s alarming reports appeared in the press.

A similar conception, but regarding chance rather than risk, applies to huge lottery prizes. The imagined wonderful consequences of winning overshadow the fact that the statistical chance of winning is minute (Mumpower, 1988). Gambling advertising uses this conception by focusing on, and typically depicting, the pleasant consequences of winning a lottery jackpot—such as a vacation in a tropical paradise, heaps of bundles of banknotes that give freedom from economic worries, or an exclusive sports car—while saying little about the actual chances of winning. The real world with the actual minimal chances of winning a jackpot is replaced by a dreamworld dense with symbols of affluence, leisure, and pleasures.

# Exaggeration of the Skill Element in Horse Betting and Sportsbetting

The possibility of beating the odds in horse betting and sportsbetting, and winning 'big money,' is often exaggerated in Swedish gambling advertising. Well known to Swedish gamblers are promotional slogans such as "The one who knows the most, wins the most" (sportsbetting promotion), "Become a football pool millionaire," "Luck has nothing to do with it" (advertising for a football pool game), and "Get rich on the horses!" While there is a possibility that a few individuals—who have access to unique information, possess superior analytical ability, and invest much time and energy in betting-could earn money on some games with a high payback percentage, in the long run bettors lose as much of their stakes as is the gross profit percentage of the betting company. This is especially true in pari-mutuel betting games, as the aggregated betting skill of gamblers collectively is superior to that of any individual bettor (Camerer, 1998; Coombes, Frazer, Johnson, Hockaday, & Otto, 1998). Advertising that exaggerates the skill element in betting encourages a view that the gambler's winnings are the result of skill, while the losses are due to bad luck or accidental circumstances, a structure of thought that has been associated with problem gambling (Gilovich, 1983; Rosecrance, 1986).

# Luck Will Help

Some gambling advertising suggests that luck may help one to win. Conceptions of luck in Western societies are vague and unelaborated, but the concept clearly has magical and superstitious overtones. Luck seems to come in two main varieties. Luck can be seen as an external force that affects events in the world, and luck can be seen as a quality of people, places, and certain times. Gambling advertising that suggests that luck makes it easier to win is thus connected with the conception that events, regarded by science as random, are in fact guided by occult and mystical forces.

#### DECEPTION

From this overview of the psychological and rhetorical tactics of persuasion, we can conclude that gambling advertising is much like other advertising. Its intent is to sell, it exaggerates the positive aspects of products while keeping silent about the negative ones, and it uses a measure of cultural and psychological insight. But to what extent should the persuasive tactics of gambling advertising be regarded as deceptive? To discuss this, the concept of deception needs to be clarified.

A useful distinction that has emerged in marketing science is that between what here will be called 'objectively' and 'subjectively' deceptive advertising (Barbour II & Gardner, 1982; Gardner, 1975; Russo, Metcalf, & Stephens, 1981). Advertising is said to be misleading in an objective sense if there is a notable discrepancy between what is claimed in an ad and the actual qualities of the product, while advertising is subjectively misleading if it "creates, increases, or exploits a false belief about expected product performance" (Russo et al., 1981, p. 128). This distinction is important, because ads might be misleading in the strictly objective sense but not in the subjective sense and vice versa. For example, the claims made by advertising may be so exaggerated and divorced from reality that no one takes them seriously. Conversely, ads that in a strictly objective sense are truthful may nevertheless in various ways create or reinforce false beliefs among consumers and therefore be subjectively misleading.

In Sweden, objectively misleading advertising is forbidden by law. Gambling advertising of that kind is therefore very rare, and not a single clear case was found by the author in the approximately 250-item Swedish convenience sample (Binde, 2005a). Advertising is surely biased, but very seldom explicitly false. For example, the slogan, "Get rich on the horses!" is not a statement but an exhortation, which some people think is challenging and which others frown upon. The statement "You could become a millionaire on February 15" (advertising for a lottery) is literally true, although it describes a very unlikely event. One doubtful case involved the slogan for keno, "Winning is easy." While it may be easier to win frequently on keno than on some other games, it is certainly easier to lose than to win. The slogan "Luck has nothing to do with it," used in advertising a football pool game and suggesting that knowledge and skill are very important, is misleading, if 'it' is understood to refer to the weekly pool games, the results of which are obviously determined to some extent by unpredictable events occurring during the football matches. However, if 'it' is understood to refer to playing the weekly pools for an extended period of time, the slogan is true—in an ironic sense. Players in the long run will lose a percentage of their stakes equal to the operator's gross profit percentage—luck has certainly nothing to do with this. Few bettors, however, are likely to interpret the slogan in the latter, and on the part of the gambling company, unintended sense.

To determine whether or not an ad is misleading in the subjective sense, we need to know how people actually perceive it. If, for example, a lottery ad claims that "You could become a millionaire on February 15," then it is misleading if people who see the ad believe that their chances of becoming a millionaire by participating in the lottery are greater than they believed before having seen it. An increased propensity to buy the lottery tickets in question is not in itself an indication of deception, since the ad simply may put forward the idea that it might be fun to take the chance, however small, of participating in the lottery and indulging in the fantasy of winning. The research task in this case would be to measure possible changes in peoples' estimates of their chances of winning a million after having seen the ad. If it was found that the ad made people overestimate their chances, it could be further investigated if this influenced behavior, i.e., actually made people buy more lottery tickets. In marketing research more generally, experimental studies have examined deception in various forms of advertising (Burke, Milberg, & Moe, 1997; Johar, 1995; Olson & Dover, 1978). However, there seem to be no reliable empirical or experimental studies of deception in gambling advertising and of how it might influence the consumption of gambling products.

Advertising emerges as the epitome of commercial market society and views on advertising are strongly conflicting. A critical view may regard advertising in general as deceptive and dangerous, as distorting genuine human feelings by promoting immoderate acquisitiveness and eroding positive social values (see Pollay, 1986). The view of the 'market' is that advertising is good for companies and consumers, as well as for society at large, since it is necessary for effective competition. Deceptive advertising is in this case not much to worry about, since consumers are knowledgeable and companies that deceive will hurt their own reputations and hence their revenues (Darke & Ritchie, 2007). As to gambling advertising, the views are also sharply divided. The following discussion deals with issues regarding truth and deception, with particular consideration given to the rhetorical and psychological devices identified earlier.

# The Subtle Influence of Advertising

An argument for claiming that deception is not a major issue in gambling and other advertising is that most people are able to differentiate between facts and advertising, and that people have a defensive attitude when confronted with advertising. Undoubtedly, this argument has a factual foundation. One Swedish study showed that only 11 percent of the population think that television commercials provide "correct information concerning goods and services" (Konsumentverket, 1993, p. 23), while another survey showed that more than three out of four people agree with the statement, "Nearly all advertising aims to mislead the public" (Svenska Spel, 2005). Thus, the standpoint of most Swedes, when they reflect on the issue, is that advertising messages should be taken with a liberal pinch of salt.

When viewing advertising, however, people do not always reflect on its content. A person who reads a daily newspaper and watches television on commercial channels in the evening may well see some 100 ads and commercials each day, but how many of those does the person bother reflecting on in terms of reliability and bias? Most certainly, it will be a tiny minority of the ads. Some of the ads are barely noticed, while others are viewed with more attention but without much critical reflection. Advertising—misleading or not—exercises a subtle influence on consumers, of which they are not fully conscious (Bargh, 2002; Heath, 2000; Krugman, 1977). Many of the messages in advertising are designed to bypass conscious evaluation and criticism.

Thus, people state that they do not believe everything that advertising suggests and that they view ads critically, but they are nevertheless influenced by advertising that they have not critically examined. Gambling advertising using psychological and rhetorical devices like those outlined earlier can therefore be suspected of exercising a subjective misleading influence on people. As argued earlier, empirical research is needed to determine whether various types of gambling advertising actually cause people to overstate their chances of winning and thereby make them spend more money on lotteries and other forms of gambling. Such an effect of misleading advertising should, however, be separated from any other effect of advertising to stimulate consumption of gambling products by offering immediate utility values, such as entertainment and the opportunity for socializing with other players.

### Emphasis on the Skill Element in Sportsbetting

We already identified the exaggeration of the skill element in sportsbetting as a rhetorical device. The author's experience—gained through extensive field observations in Swedish betting shops and at a trotting track—is that many bettors have partly erroneous ideas of how football and trotting pools actually function and do not fully grasp the principles of parimutuel wagering, especially not when betting on 'show' or exotic bets, such as trifectas—picking the winning, second, and third horse in exact order. A common denominator of the muddled views of players is their overestimation of the importance of knowledge and skill. It is very likely that

advertising that exaggerates the skill element of these games contributes to maintaining such erroneous ideas and that some players would change how they bet if they were more knowledgeable about the principles of odds and pari-mutuel betting. The skill element is simply not as important in the games as many players imagine and as advertising suggests. We should keep in mind, however, that there is a difference between getting a positive return on betting and winning often. While the former is very hard to achieve, the latter is quite easy: You just bet on the team or horse that is most likely to win. Thus, as far as advertising appeals to the joy of winning in itself and connects this with a measure of knowledge, it is not necessarily misleading. The slogan "Become a winner!" in promoting sportsbetting thus does not in itself imply deception. However, deception is, as argued earlier, implied by the slogan "Luck has nothing to do with it" in advertising the football pools.

# Beliefs, Imagination, and Wishful Dreams

Much criticism of gambling advertising targets its imaginary character, as ads allude to hopes and dreams of winning. Since large wins are extremely rare, gambling advertising that focuses on them is considered to be misleading. In this regard, we should ponder the significance of the definition of subjectively misleading advertising used here, that it "creates, increases, or exploits a false belief about expected product performance" (Russo et al., 1981, p. 128). What exactly should we understand by 'belief'? Suppose a person receives direct mail advertising promoting a lottery that exclaims, "You could become a millionaire on February 15." The advertising brochure also presents pictures of earlier lucky winners, images of bundles of banknotes, and a postcard-like photo of a tropical beach ideal for a long vacation. Doubtless, such advertising-drawing on cultural symbols of leisure, affluence, and enjoyment of life—would inspire in many people fantasies of winning a fortune and enjoying it in various ways. Such fantasies, however, are not beliefs that are either true or untrue. The best term for them would be 'wish-fulfillment dreams'-the wishfully dreaming person imagines something possible and desirable.

We all know that people indulge to an extent in wishful thinking. Some people give the impression of living in a fantasy world, while others are more down-to-earth and seldom drift into daydreaming. Still others are of a pessimistic character, and are prone to dwelling on all kinds of horrible things they fear might befall them. If we exclude the extreme cases at both ends of this scale, most people regularly indulge in wishful thinking and are aware of this. Normally, 'fantasizing' about becoming a lottery millionaire is not the same thing as 'believing' that one has a good chance of becoming one. Presumably, some people do not bother much about what the actual chances are, but are content with the pleasant fantasy of winning a top prize. It is problematic to argue that gambling advertising is misleading just because it stimulates wishful thinking. The dream of winning a fortune lies at the core of lotteries and other games with huge top prizes, and it is this dream that is marketed. Often this is made clear in ads by the use of words such as 'dream' and 'imagine.' Undoubtedly, many people can at one moment fantasize about becoming a lottery millionaire and at the next state that the chance of this happening is miniscule. Human thought processes are not homogeneous, but dependent on context, emotion, and motivation.

However, while wishful thinking is one thing and conscious and rational reflection is another, there is also the heuristic and intuitive estimate of the chances of hitting the jackpot. As argued earlier, it is likely that persons who think much about jackpot wins and becoming jackpot winners intuitively estimate the chances of hitting the jackpot to be higher than persons who do not occupy their minds with such thoughts, i.e., the availability heuristics. Advertising that encourages people to fantasize about jackpot wins may thus cause people to intuitively overestimate the chances of hitting the jackpot.

#### A Deceptive Hope?

It may be argued that it is unethical to stimulate people to dream of becoming lottery millionaires, since these dreams will only become true in very few cases. There appears to be no absolute answer as to whether or not this is a sound argument. It depends on what philosophy of life one prefers, including one's political and religious preferences. Surely, the hope conferred by advertising slogans such as "You could become a lottery millionaire on February 15" is very unrealistic. Perhaps a person who fantasizes about such things would in the long run benefit from occupying his or her mind with more realistic thoughts about the future. It has been argued, however, that the hope of winning is intrinsically positive, regardless of whether it is true or false: "dreaming about winning appears to sustain the psychologically vital and ethically enriching quality of hope" (Black & Ramsay, 2003, p. 202). This argument seems to apply mostly to those people who have a lighthearted hope of winning the jackpot. For others, however, the hope of the jackpot win is desperate, born out of poverty, debt, and perhaps huge gambling losses. Such desperate hope can hardly be regarded as 'ethically enriching.'

Criticism that gambling advertising confers false hope may also claim that there is a huge discrepancy between the happiness suggested by advertising as following from winning a fortune and the actual level of happiness experienced by jackpot winners. Surveys of jackpot winners in various countries have shown that generally the euphoria of winning is followed, after a year or so, by at most a moderate lasting increase in happiness (Brickman, Coates, & Janoff-Bulman, 1978; Fleischer Eckblad & von der Lippe, 1994; Gardner

& Oswald, 2001; Kaplan, 1987; Veenhoven, 2003). Qualitative studies and documentary books have produced similar findings (Davies, 1997; Falk & Mäenpää, 1999; Gudgeon & Stewart, 2001). It is clear that some advertising exaggerates the happiness that follows winning a jackpot, suggesting a new and blissful life characterized by freedom from economic troubles and a heightened enjoyment of life. Thus, there does seem to be a notable discrepancy between the happiness of jackpot winners suggested by some gambling advertising and the long-term happiness of actual winners.

# Luck: False Belief or Utility of Gambling?

Is advertising that suggests that luck can help gamblers misleading? On the one hand, it may be argued that winning or not winning is only a matter of probability and pure chance and that gambling advertising that suggests that a gambler can be especially 'lucky' is therefore misleading. On the other hand, the idea of luck may be understood as a kind of 'half-belief' (Campbell, 1996), an alternative mode of thinking of a magico-religious nature. From a relativistic anthropological point of view, it could thus be argued that advertising that suggests that luck helps the gambler offers the prospect of experiencing some involvement with the mysterious and fateful. Such an experience can be seen as part of the utility that a player derives from gambling: The player is not deceived, but is buying something that he or she is prepared to pay for. Numerous writers have noted the connection in cultures of the past and present between gambling, religion, and the beliefs in fate and destiny (for overviews, see Binde, 2007a; Currie, 2007).

# An Example of Gambling Advertising—"It Suddenly Happens"

To get an idea of how persuasive tactics make use of cultural and symbolic meanings and messages, we shall now take a look at an example of Swedish gambling advertising.

For some years, the main Swedish lottery operator, Svenska Spel, has marketed its instant lottery 'Triss' by means of waves of television commercials on the theme "It suddenly happens." The commercials tell different stories, all having in common that unusual things do happen. In this particular example, we see a teenage boy who is about to leave his home in the evening. His mother watches anxiously as he puts on his outdoor clothes, keeping his head turned away and not uttering a word. She nervously wrings her hands as she is dreading that he will expose himself to all kinds of dangers, such as bad company and drugs. We understand that her night will be sleepless, as she will anxiously wait for the son to return home or for a call from the police or an emergency ward. But just as the son is about to leave, he hesitates, turns around, and gives his mother a big hug. She understands that her anxiety is unwarranted, that her son loves her, and that he will take care of himself. The text "remember that life is full of surprises" fades in over this closing scene, and finally the Triss lottery logotype is shown together with the slogan "It suddenly happens."

The theme of this advertising campaign is that the improbable is actually possible. The improbable does indeed sometimes happen, and we all have personal experience of that. This is elaborated in various ways in the series of television commercials. In this particular example the message is given a sentimental slant as a metaphor is established between the mother and the one who buys a scratch lottery ticket. A state of worry and anxiety about what the future will bring, is, as if by a stroke of magic, turned into confidence and happiness—in one case through the unexpected hug that the mother receives from her teenage son, in the other case through a person winning a top prize on the Triss lottery. The message is that the one who wishes for happiness, peace of mind, and a better life through winning on the lottery shall be reassured: It can happen, such things happen all the time, it is just a matter of waiting for a while, since eventually "it suddenly happens."

The symbolic messages of this television commercial necessitate knowledge of culturally specific codes and meanings. The mother experiences a problematic lack of authority over her son, who as a typical teenager does not voluntarily tell much about his doings. Personal affection, rather than obedience and a sense of clan or kinship belonging, is presupposed to create togetherness and family continuity. With knowledge of these meanings, the viewer can 'read' the commercial and basically understand it. Each individual, furthermore, has his or her own associations to the story that, given its sentimental touch, are more likely to be emotionally positive than negative.

This television commercial is certainly not misleading in an objective sense. However, a basic message of the commercial is that uncommon things 'suddenly happen' and after all may not be that uncommon. In a subjective sense, it may, therefore, make people believe that winning top lottery prizes is easier than it actually is, or it may strengthen such erroneous conceptions. Only empirical investigations can tell if the commercial has this impact. The commercial has associations and meanings that do not concern the chances of winning and these cannot meaningfully be discussed as either true or untrue. The commercial associates the lottery with altruistic love and family life. Such vague and symbolic messages are common in advertising, conveying images of the social and cultural values of products and brands rather than providing information about their material and practical features.

We may note the association in this television commercial between a lottery win and altruistic love. Just as wealth is bestowed upon the happy jackpot winner, who for an insignificant sum of money has entered the lottery, so is altruistic love offered freely without much thought of a return. In both cases, reciprocity is asymmetric, in contrast to the balanced reciprocity of commercial transactions. This association, made by creative persons with cultural intuition at an advertizing agency, is pertinent since a basic cultural meaning of gambling in Western societies is that it constitutes a

zone where balanced reciprocity, governing much of social interaction and economic exchange, might be suspended momentarily. Culturally, the gambling win therefore corresponds to notions such as the free gift, altruistic love, and divine grace (Binde, 2007a). This correspondence makes it possible for gambling to draw symbolic force from other cultural contexts. For instance, there is the conception of big gambling wins as a kind of blessing bestowed on those in need. This is a recurrent theme in Swedish newspaper reporting on lottery jackpot winners (Binde, 2007b). While such newspaper reporting unintentionally stimulates an interest in lotteries, such an intention is evident in the television commercial discussed earlier.

# **RESPONSIBLE GAMBLING ADVERTISING**

It is difficult, as argued in this chapter, to draw a sharp line between advertising that is misleading and advertising that is not. Advertising truthfulness can roughly be described as a continuum extending between advertising certain to be misleading and advertising that is certainly not misleading, with various degrees of uncertainty in between. Companies that wish to maintain a distinct profile as responsible providers of gambling should focus on advertising that is certainly not misleading. This might mean that companies should consider abandoning some advertising that in a restricted, short-term economic sense might increase sales and profit. Examples of themes that are questionable, because they might be misleading, are:

- emphasis on the sum of total winnings
- statements that a player 'can' win millions or 'has a chance' to win the jackpot
- emphasis on huge jackpots
- expressions suggesting that 'winning is easy'
- imagery of an abundance of money and attractive goods offered as lottery prizes
- the unrealistic depiction of how winning changes a person's life
- stress on the total number of top prize winners
- suggestions that skilled players win more money than less skilled players in pari-mutuel games

As a matter of course, responsibility in gambling advertising not only concerns truthfulness, but also other aspects of promotional messages. A look at the marketing guidelines of various gambling companies suggests some common points regarding responsible advertising. It should:

• not target vulnerable groups, e.g., the poor, youth, and problem gamblers

- not suggest that gambling is a way to solve economic problems
- not encourage excessive gambling
- not praise those who gamble and derogate those who do not
- not claim that gambling is risk free
- not be aggressive, i.e., occupy excessive media space and adopt a hard-sell tone

Advertising may distort people's conceptions of the chances of winning and the cost of participating in gambling. This possible effect should be counteracted by gambling companies providing easily accessible information on how games work, on the chances of winning, and on the net cost of gambling—i.e., what the net loss is likely to be in the long run (Blaszczynski, Ladouceur, Nower, & Shaffer, 2008; Eggert, 2004). Consumers should be offered the possibility of making an informed choice as to which games to play. A gambling company acts irresponsibly if it advertises games by suggesting that everyone can win, that the jackpot is huge, and so on, while on the other hand not being fully transparent as to the chances of winning and the net cost of participating. This information can be displayed in advertising and at the points of sale, and printed on lottery and betting tickets.

Declaring the true cost of gambling is important not only to counterbalance biased advertising, but also in providing suitable consumer guidance (Eggert, 2004). There is a growing need for such guidance as the global gambling market is expanding rapidly. Gamblers in most countries are offered an increasing variety of games and gambling providers to choose from. One would also hope that pertinent information concerning the true cost of participating in games would exert a preventive and dampening effect on the extent of excessive gambling (Blaszczynski et al., 2008; Dickerson, 1991, p. 333f.).

So what kinds of advertising can be deemed inoffensive and responsible? Generally, enticing people with the prospect of winning money should be replaced by an emphasis on entertainment value and the joy of winning. Gambling is a multifaceted activity that includes many different games. There is the social dimension of playing together with others, the intellectual challenge of some games, and environments sustained by gambling that offer other experiences and entertainment values as well. At the core of all gambling, however, is the hope of receiving more than one has wagered and the joy when this actually happens. The joy of winning is present even when small sums of money are won and advertising may thus not need to focus on jackpots and big money.

#### CONCLUSION

With reference to Sweden, this chapter has examined psychological and rhetorical devices commonly used in gambling advertising and discussed to

what extent these can be regarded as misleading. The conclusion is that it is sometimes difficult to distinguish sharply between advertising of gambling products that misleads consumers and that which does not. This difficulty arises mainly because gambling advertising does not sell material products but rather the chance of winning and the possibility to indulge in hopes and dreams of winning. However, the most problematic advertising with regard to truthfulness is that which speaks about the chances of winning big amounts of money and claims that skill in betting or gambling will increase the chances of winning money.

For gambling companies, gambling is about money. They sell a form of entertainment and the measure of success in that business is the amount of revenue generated. On monopolistic markets gambling business may be extremely profitable, transferring colossal amounts of money from players to gambling companies, beneficiaries, or the state coffer.

However, gambling as an activity is only partially about money, it is also about imagination, cultural meanings, excitement, escape, intellectual challenges, socializing or competing with others, and other psychological and social rewards (Binde, 2008). Gambling companies need not market their products using dubious half-truths concerning the amounts of money that can be won at gambling. Analysis of gambling as a multifaceted cultural phenomenon with a symbolic dimension reveals plenty of themes suitable for responsible advertising. Less focus on money and a stronger emphasis on the culturally meaningful elements of gambling would make deception in gambling advertising less of a problem—regardless of the extent to which the problem is real or perceived. If advertising nevertheless markets the dream of hitting the jackpot, it is important to make clear that this belongs to a dreamworld and not to the real world. Explicit and visible information about the statistical chances of winning may help to make this clear.

Verbal messages about chances of winning money, and about enhancing these by means of skill in betting, appeal to the rational side of man. If there was indeed a good chance of winning a million by entering a lottery, and if all that is required to become rich was to learn about sportsbetting, then it would be foolish not to gamble. Such semirational messages are not only questionable with respect to truthfulness, they appear as peripheral to what gambling and advertising really is about. Since the Renaissance, Western societies have been perceived as on a straight path towards increasing rationality. In postindustrial society, this trend has been broken. Icons and symbols, in the form of commercial brands and identity markers, are attributed increasing significance, traditional and fundamentalist paradigms are making unexpected and massive inroads into modernity, and information and myth merge in the rapidly expanding flow of media (Augé, 1999). We are forced to realize that the idea of the triumph of rationality was itself an image and a myth, a reflection of the goal-oriented mode of production of industrial society that was legitimized by tremendous scientific and

technical advances. The symbolic, mythological, and imaginary are enjoying a renaissance and this cultural climate is favorable for both gambling and advertising, which grow and prosper.

#### ACKNOWLEDGMENTS

This text is based on research funded by the Swedish National Institute for Public Health. Some of the arguments have appeared in Swedish in the report *Att sälja en dröm: Om spelreklam och dess påverkan* [Selling dreams: On the effects of gambling advertising] (Binde, 2005a). An early version was presented at the European Association for the Study of Gambling conference in Malmö, Sweden, June 29–July 2, 2005.

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# 8 Balancing Rules Gambling Consumption at Home

Anita Borch

### INTRODUCTION

Digital gambling services have become more available, also at home. Since their availability is difficult to regulate nationally, considerable responsibility for regulating them falls onto the consumers. Are consumers able to take this responsibility? How is gambling regulated at home?

To explore these questions empirically, 15 interviews of 9 Norwegian households, in which the male adult member was betting online on football, were conducted in 2004.<sup>1</sup> These interviews took place in the informants' homes. The following interview fragment is from an interview between Rolf, the informant, and me as the researcher:

ANITA: You gamble on the PC?

- ROLF: Yes, from time to time. Sometimes she [his partner, Lek] thinks that I use the PC too much.
- ANITA: How many hours per day?
- ROLF: It depends on what she does and what we do together. If she is busy doing something, I can use the PC. But if we do something together, we do something together. Then I do not care about the PC. There has to be some kind of balance in this!
- ANITA: What do you mean by 'balance'?

ROLF: No, there can be too much of everything, right?

- ANITA: Does it mean that if you do something alone, you tend to do something together afterwards? That both . . . in a way . . . have an understanding of . . . limits?
- ROLF: There are no limits! If there were, we would have spoken about it. We just do!

With the word 'balance' Rolf described a phenomenon I had identified during other interviews, namely that the household's consumption of gambling should be adjusted to its total exchange in a friction-free way, a way that all household members find satisfying, reasonable, and fair. Interestingly, the vague notion of this balancing phenomenon was based not only on what the informants said, but also on how we, the informants and I, acted during interviews. In this particular setting we were carefully listening to each other's stories. Generalizations were followed by exceptions. Dramatized stories were toned down. Understatements toned up. Some stories were disputed. Others were supported. In other words, it was as if we were balancing our stories against each other, as if we wanted to tell stories that everyone could accept. Even I, a researcher without a personal relationship with the informants, found myself lying about my gambling consumption, telling them that I gamble more than I actually do, as if I wanted to fit in, be a part of, and not distinguish myself from them, neither as better nor worse. My adjustment towards them was almost mechanized, like an inner rule was informing me about the right thing to do next. It struck me that these balancing rules must greatly impact households' consumption, gambling included.

In this chapter I explore these balancing rules further. First the rules are defined in light of Marcel Mauss's (2006) theory of gift giving and Mikhail Bakthin's (2006) theory of context. Subsequently I will describe the house-hold as one bounded environment in which balancing takes place. Then, based on the 15 interviews mentioned earlier, I analyze the rules and how they operate in households. Special attention is given to four households, each exemplifying the rules in its own peculiar way.

#### BALANCING RULES

Balancing is understood here as a way of acting informed by a set of rules for social exchange. Behind this simple definition hides a relatively complicated set of ideas. Based on Mauss's theory of gift giving as 'total phenomena,' and Bakthin's theory of context, I will reveal some of them. My theoretical point is that balancing rules are both universal and contextbased—they are contextualized versions of universal exchange rules.

More specifically balancing refers to Mauss's (2006) gift giving rules about the moral obligation to give, receive, and reciprocate signs ('gifts')—symbolic expressions of objects, ideas, resources, and practices. These rules are understood as 'universal' phenomena in terms of being operative in most contexts. They are 'social' phenomena in terms of being rooted in a fundamental human need of social belonging, of being the same, fitting in, and being a part of a collective. They are 'regulating' phenomena in terms of organizing the exchange of signs and hence the degree of intimacy and power between exchange partners. And they are 'coping' phenomena in terms of giving exchange partners a sense of stability, social belonging, and meaning in everyday life. By participating in balancing processes, exchange partners are not only shaping and reshaping exchange realities. They are also signaling a will to establish, maintain, and strengthen relationships. Thus, balancing is a condition for vital, durable relationships. Its importance, therefore, should not be underestimated.

Just as in Mauss's gift giving, the balancing of signs should follow the structure of authority between exchange partners. In symmetric relationsfor example, between peers-givers should give as much as they receive. However, in asymmetric relations-for example, between parents and children-parents should give more than they receive. Broken rules can be misunderstood and therefore endanger the relation. For instance, not giving could be understood as a sign of neglect, not receiving as a sign of rejection. If givers give more than they receive, they can put receivers in a subordinate positioncause them to feel embarrassment and guilt. Hence, to avoid endangering a relation, most people aim at balancing their exchange of signs-they give as expected (Mauss, 2006; Gouldner, 1960). In new relationships the exchange, the degree of intimacy and power, is negotiated. In old relationships the exchange becomes routinized and more associated with rights and duties. Thus, although balancing rules in this respect seem more like contracts, they are not regarded as legal commands, rather as proper and 'natural' behavior (Hundeide, 2004). In this respect they can be associated with Bourdieu's 'doxa,' with fundamental, deep-founded, unthought-of beliefs, taken as selfevident universals, informing an agent's actions (Bourdieu, 1992).

Exchanging as expected, properly and naturally, is not always easy; however, it presupposes an understanding of context. According to Bakthin (2006), signs or 'words' receive most of their meaning from their context or 'heteroglossia.' "[It is] the social atmosphere of the word . . . [that] makes the facets of the image sparkle" (Bakthin, 2006, p. 277). Firstly, all signs involve an orientation towards the potential meaning of the exchanged sign. "All words have the 'taste' of a profession, a genre, a tendency, a party, a particular work, a particular person, a generation, an age group, the day and hour" (Bakthin, 2006, p. 293). Secondly, they involve an orientation towards the intentions of the giver, intentions that, by virtue of being both voluntary and obligatory, altruistic and egoistic (Mauss, 2006; Fürst, 1995), never can be wholly understood, neither by the givers themselves nor by the receivers. Third, they involve an orientation towards the opinions and responses of others. "All rhetorical forms ... are oriented towards the listener and his answer ... Understanding comes to fruition only in response" (Bakthin, 2006, pp. 280–282). Fourth, they involve an orientation towards the raison d'être of the bounded environment, which is the temporally, spatially, and functionally defined area in which the exchange takes place: modern societies, nations, households, offices, casinos, human beings, etc. Finally, they involve an orientation towards the vague notion of the total exchange, the sum of all signs circulated within a bounded environment over time.

In other words, balancing refers to a set of universal, moral, social, regulating, and coping rules for social exchange involving a sensitive and obligatory orientation towards context. The context includes the anticipated meaning of the exchanged sign, givers' intentions, others' opinions

and responses, the raison d'être of the bounded environment in which the exchange takes place, and the vague notion of the total exchange of signs over time. Through this complex web of contextual elements an expected, natural, or proper exchange may be anticipated. It is in this respect the composition of contextual elements that defines the situation and constitutes the basis for balanced exchange. Although each element's importance may vary from one situation to another, three elements are generally regarded as important. One is the meaning of the exchanged sign, the core element around which the balancing revolves. Another, consisting of the opinion and response of others, is regarded as most essential according to the balancing's social fundament. The third is the raison d'être of the bounded environment, which, by virtue of being the element that most clearly defines the whole context, is regarded as most determining. My emphasis on the latter element is based on the observation that the meaning of all contextual elements is strongly influenced by the bounded environment in which the exchange takes place. Research indicates, for instance, that gambling has a different meaning at home in the presence of small children, as opposed to the casino on a late Friday night with old poker friends, whiskey, and cigars (Helle-Valle, 2007, 2008; Helle-Valle & Slettemeas, 2008). Understanding what balancing rules are and how they operate in households, therefore, requires an understanding of a household's raison d'être.

# Household's Raison d'être

A Western household is understood here as a bounded environment circulating signs. It is spatially defined in terms of a dwelling where people live together. It is temporally defined in terms of following an expected life course associated with accumulating resources: careers, children, and capital. And it is functionally defined in terms of serving its individual members' interests and the societies it is part of, as well as its own interests in being a household. Firstly, a household may serve its interest in being an economy, both in terms of representing a small, informal, or private economy by itself, and in terms of being part of greater, formal, or public economies like the labor market, the consumption market, and the public economy. Secondly, it may serve its interest in being a family, a small group of people joined by strong bonds of obligations based on birth, adoption, or 'romantic love'—in Western societies understood as a sexual relationship based on unity, equality, free and altruistic exchange. Third, it may serve its interest in being a home, a gendered, warm, and safe place of origin ideal for the cultivation of romantic love and the careful upbringing of children. Finally, it may serve its interest in being an everyday life organizer responsible for the administration of everyday life practices, routines, and rituals.

In short, a household's *raison d'être* is to serve the interests of its individual members and the societies that it is part of, as well as its own interests as economy, family, home, and everyday life organizer. The household's interests

are partly contradicting, partly overlapping, and mutually dependent on each other. A household's realization as economy may, for instance, jeopardize its realization as family, a household's realization as home may rely on its realization as everyday life organizer, etc. Households that realize their raison d'êtres are generally regarded as vital and well-functioning households. Knowing when a household is vital is, however, not always easy. Like all signs, the idea of vital households involves a universe of potential meanings. The idea of what a vital household is, therefore, tends to be based on evident signs, on signs that are culturally and historically regarded as valid. To buy a more expensive car, to show up at family feasts together, to have regular sex, a tidy home, domestic peace, to work days and sleep nights are, for instance, generally regarded as vital signs. To keep a rusty car, to show up at family feasts alone, to have no sex, to have conflicts, a messy home, and an irregular diurnal rhythm are, on the other hand, regarded as deviant signs. The discrepancy between valid and deviant signs is learned through childhood, embodied through everyday life practices, generally taken for granted, and therefore seldom brought up to the surface unless it is questioned. While vital signs signal a household's stability, deviant signs question it. To avoid being questioned by either its members or by outsiders, many households aim at circulating signs in an evident, vital way, a friction-free, balanced way that does not disturb the household's harmony. At stake is not only the household's raison d'être, that is, all the reasons for its establishment. Also at stake is, more fundamentally, the household's presupposition of everyday life as natural, as a predictable, regular, rhythmic process (Žižek, 1992).

### BALANCING GAMBLING CONSUMPTION

Based on the 15 interviews of 9 households in which the male adult member was betting on football, this section analyzes four rules of domestic balance. It shows what they are and how they operate within the bounded environment of households. None of the households had reported gambling problems. Some had children, some did not. The couples were mostly interviewed together. Six of them were interviewed twice. Interviews took place in the informants' homes located in Oslo and local surroundings. Based on the homes' locations and the informants' occupation and aesthetic taste, all but one household could be associated with what Bourdieu (1992) would call 'working-class' or 'low-middle-class' households. Informants were invited to speak as freely as possible about some predetermined key issues, in essence dealing with the households' consumption of digital media and gambling.<sup>2</sup> The domestic rules were identified in the first interviews and tested in the second. Even though the informants' stories were told as 'true stories'—as stories reflecting the households' actual exchange, I interpret them as ideal stories—as stories reflecting the households' ruled exchange. The idea of treating them as ideals is based on the impression

that the informants' and I were coproducing stories that we all could accept as satisfying, reasonable, and fair. This does not mean that the interviewees were misrepresenting their actual exchange. Rather that they chose to pick a version that could be told in front of a partner and a researcher.

Special attention in this chapter is given to four couples, each of which in its own peculiar way exemplified four rules of domestic balance. The rules were identified in all households, although to varying degrees. The first case, Ellen and Jan, exemplifies how a household's exchange should balance between individual and common family projects. A general rule is that individual projects should not jeopardize common projects. The second case, Ali and Nasrin, illustrates that the household's exchange should also balance between relieving and draining projects. The third case, Inger and Ben, describes how some individual projects involve the right to have a private room reserved for like-minded persons (men) sharing the same interests and competence. By virtue of being rules informing the household's exchange of signs, balancing rules involve a question of power, challenging Western ideas of romantic love based on unity and free and altruistic exchange. The last case of Rolf and Lek, also referred to in the introduction to this chapter, illustrates how some households therefore treat balancing rules as disowned but aspired to doxas, unthought of and unarticulated in theory, but aimed at in practice.

### Case 1: Individual and Common Projects

Jan and Ellen, both in their early thirties, met as students at the University of Bergen six years earlier. They live in a building together in eastern Oslo with their 1-year-old daughter Amy. Both work in offices. When I met them, she was home on maternity leave.

Both Jan and Ellen grew up playing board games, cards, Game Boy, and PlayStation. They regard themselves as a bit nerdy: "It is not regarded as particularly cool wanting to play board games when you're visiting others." The first year after they met they played lotto together. Now they mostly gamble individually. Whereas Jan bets on football, alone or together with his father, old student friends, and colleagues at work, Ellen plays lotto alone or together with her mother and girlfriends. Gambling with colleagues is out of the question since she is on maternity leave. Their gambling relations are illustrated as follows:



Figure 8.1 Ellen and Jan's gambling relations.

Although Ellen and Jan's gambling relations seem quite similar, Jan's football betting, in combination with his watching football on television, obviously takes more time and money than Ellen's lotto playing. Presumably to balance, Ellen therefore compares Jan's gambling to her spending on hairdressing (luxuries), knitting (hobbies), and coffee at cafés (recreation). Her consumption of luxuries, hobbies, and recreation is, like his gambling, regarded as part of her individual projects. Even though Jan does not tell how much he spends on gambling and admits that he is sometimes out of money one week after payday, Ellen does not interfere in his projects. For her, individual projects signify individual independence, freedom, and personal development, and should be prioritized, as long as they do not jeopardize the family projects. She trusts and takes for granted that Jan regulates his gambling to a level both can accept. By respecting his projects, she expects him to respect hers.

Ellen and Jan seem to organize their household into three projects, two individual projects and one common family project. Jan usually drives Amy to kindergarten on his way to work, since he is responsible for the family's car. Ellen does the laundry, since she stays at home. Other family projects, like childcare, cooking, cleaning, and watching films and news on TV, are mostly shared. As a general rule common projects should be prioritized above individual projects. Most weekends should, for instance, be spent together. Their exchange model seems to be as Figure 8.2 below.

While lotto playing, hairdressing, knitting, visiting the café, sportsbetting, and TV watching are regarded as individual projects, childcare, cooking, cleaning, laundry, car, kindergarten, weekend activities, and TV watching (news, movies, etc.) are regarded as common projects. Balancing them is regarded as a sign of mutual love and respect.

Jan and Ellen seem to balance individual and common projects. While some individual and common projects are relieving and make everyday life easier, others are draining and make everyday life more strenuous. Another

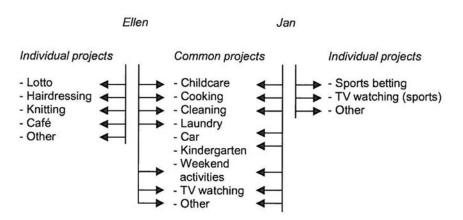


Figure 8.2 Ellen and Jan's exchange model.

couple, Ali and Nasrin, therefore, does not only balance individual and common projects, but relieving and draining projects as well.

# Case 2: Relieving and Draining Projects

Ali and Nasrin, both in their forties, grew up in the Middle East. They live in southern Oslo with their two daughters aged 5 and 8. He receives disability benefit from the state after injuring his neck in a car accident three years ago. She works in a kindergarten. Unfortunately, I met Nasrin only once because she was, during my second interview, out of the country visiting her sick father, a trip that she, according to Ali, "could not afford, but had to do." During the first interview, she told me that she "never" gambled, although Ali sometimes "forced" her to:

NASRIN: I never gamble.

ANITA: You have tried?

NASRIN: I have tried. NOK 10 [about 1 euro]. But I don't like it. He has forced me once, but . . . [*laughter*] But he promised me that if I lost money, he'd give me the money, so I did. I would never lose money on it. I don't like it.

ANITA: What happened when he forced you?

NASRIN: No, it wasn't like that. We were on a boat, and he said, "Try!" "No," I said.

- ALI: A boat trip to Denmark.
- NASRIN: "Try!"
- ALI: But many times she has been kind and played Lotto. Every time she wants to play, she wins on lotto.
- NASRIN: If I want to play, okay, I play.

ALI: But she never wants to.

NASRIN: Then I win. If he says "go, play!" and I go like "okay" without wanting to, I never win. I don't know why.

ALI: She doesn't want to. It's very strange.

In this interview fragment Nasrin is referring to a passenger ferry between Norway and Denmark on which duty-free products, alcohol, and slot machines are readily available.

It is clear from this fragment that Ali gambles and Nasrin does not. Presumably to balance, Ali wants her to gamble more. He encourages her, offers to pay her losses, reminds her about her winnings, and judges her resistance as "strange." Nasrin, on the other hand, wants him to gamble less:

ANITA: You said that you didn't like his gambling?

NASRIN: He spends too much money. And loses. [laughter] But it is okay. A bit. Not that much, then he has to deal with me. He doesn't always

tell about his gambling. If he bets a lot, he doesn't tell me.

ALI: [Laughter] I don't bet a lot.

- NASRIN: I used to ask him about his spending, and when he told me, I got grumpy, so now I don't ask any more. He knows that I . . .
- ALI: I know that you get grumpy. I want to gamble, but if I spend NOK 300 [about 37 euro], she gets grumpy.
- NASRIN: It's a lot, for one week, isn't it? I get angry because I don't spend that much on fun or something like that. I think it's wrong.
- ANITA: It gets kind of imbalanced?
- NASRIN: It is not fair to the children or me. Indeed, we shall have fun, but not with gambling and such.
- ANITA: You don't have fun?
- NASRIN: We do, but sometimes he spends money just to have fun on his own.
- ALI: No, wait. I spend money on gambling. It's my right.
- NASRIN: My right?
- ALI: Yeah, when it comes to my part. Beyond that I only spend on the family. We have no problems. They [the children] get everything they want—travels, toys . . .

Ali and Nasrin seem to distinguish here between Ali's individual projects and the family's projects. Like Jan, Ali can spend as much time and money as he wants on gambling as long as it does not jeopardize the household's projects. The disagreement is about balancing them. Ali seems to think that his gambling does not interfere with the household's projects. Nasrin seems to think that it does. Ali feels that when Nasrin expresses her displeasure she is interfering with his projects, expressing distrust and disrespect. Bothered and slightly irritated by her criticism, Ali describes how much he does for the family. Indeed, because of terrible headaches, he sometimes has to stay in bed for a day or two. But when able, he takes part in the household's projects. Every second day he wakes the children, packs their lunch, and follows the youngest to kindergarten. He sometimes makes dinner and cleans the house. He spends every weekend with his family, often at the local shopping mall. True, he spends evenings alone gambling, surfing the Net, and watching football on TV, but when finished, he usually joins Nasrin, to watch a movie or just talk. Generally, therefore, the household's exchange balances.

Hence, while Nasrin seems to judge the household's total exchange as imbalanced, Ali judges it as balanced. Interestingly, from Nasrin's viewpoint, Ali not only favors his individual projects above the household's, he also has more fun doing them. She thereby seems to add a new dimension to the household exchange model. The household's exchange is not only divided between individual and common projects, but also between relieving and draining projects, that is, between the fun, interesting projects making everyday life easier on one hand, and the boring, uninteresting projects making everyday life more strenuous on the other. The household's exchange model seems to be as follows:

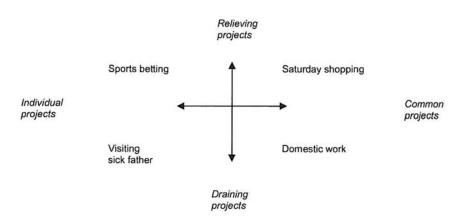


Figure 8.3 Nasrin and Ali's exchange model.

According to Nasrin and Ali's exchange model, the household's circulation of signs is plotted alongside two crossing dimensions, one dealing with who is doing the project, i.e., to what extent the sign is regarded as an individual or common household matter, and one dimension dealing with the degree of sacrifice, i.e., to what extent the sign is regarded as relieving or draining in everyday life. Ali's sportsbetting seems to be plotted as an individual, relieving project while Saturday shopping appears as a common, relieving project, and domestic work is regarded as a common, draining project. Nasrin's visiting her sick father seems to be placed as an individual, draining project. Balancing them is regarded as a sign of mutual love and respect. The projects are of course overlapping and the limits between them more blurred than the model indicates. Nasrin's visiting her sick father might, for instance, be regarded as both an individual and a family project, relieving and draining. The categories must therefore not be understood in an absolute way, rather as tendencies.

In short, Nasrin and Ali seem to balance between individual and common, relieving and draining projects. A third couple, Inger and Ben, exemplifies how individual projects may involve a private room reserved for like-minded persons.

### Case 3: Private Rooms

The preceding two cases show that the wives' acceptance of, and involvement in, their husband's gambling differ. While Ellen accepts it but does not want to be involved, Nasrin neither accepts nor will be involved. Inger, Ben's wife, not only accepts her husband's gambling, she even admires and envies it: "I wish I had his enthusiasm. Girls lose their sense of play too early." Although she sometimes thinks that Ben watches too much football, she wants to take part in his interest. Ben, on the other hand, does not always want her to: ANITA: You would like to watch less sport?

- INGER: A little bit less football. When there are three matches per day, it can be a little too much. But I have my own TV. It saves the situation. But . . . then we have been sitting in different rooms. That is not a good idea. It is nicer watching together.
- ANITA: Do you agree?
- BEN: Yeah, of course. Some programs, yet, I prefer . . .
- INGER AND BEN: . . . watching alone.
- BEN: Alone or together with a like-minded person.
- ANITA: What is a like-minded person?
- BEN: Well, it was more an expression. We do not have the same interests when it comes to sport.
- INGER: No, we are not equally engaged.
- BEN: No, she does not have the right attitude. A football match is not only about winning. It is a great performance, a ballet, a game of chess.
- ANITA: She has not understood that? She makes the wrong comments? She says the wrong things?
- BEN: She gets other kinds of feelings.
- ANITA: A winning team supporter?
- BEN: Yeah. We may call it that. When Norway is playing, her feelings are not related to the match. Her comments are far beyond . . .
- INGER: "Oh my, ugly suits," "watch the funny man in the stands," and such.
- ANITA: You do not like that?
- BEN: I think it is stupid.
- INGER: It irritates you that I do not like football!
- [Inger turns red and leaves the room.]
- BEN: Sophie, a neighbor, used to visit us when I watched football. I was a bit harsh to her sometimes. She stopped visiting us. Uff . . . It is strange with women. When they first get interested, they get fanatical in another way than men . . . biased . . . For genuine football fans interested in a good match it is an experience even if Norway loses. Women only get sad.
- ANITA: They don't know how to value a good match? They lack knowledge?
- BEN: Yes, not all, but many.
- ANITA: They ingratiate themselves with men interested in football?
- BEN: Yes, I think so. They don't understand the rules ... don't know what offside is, but are still interested ...

[Inger comes back with a dish of sweet biscuits.]

Ben and Inger, both in their sixties, live in the countryside about 100 km from Oslo. Ben is a true football connoisseur. He watches football games like a classical music lover listens to symphonies. The only things

that matter are the music, the passages, the individual performances, and the sound of the whole ensemble. The performance is best enjoyed alone or together with like-minded persons sharing the same competence and taste. Wrong comments are regarded as noise, sources of irritation diminishing his experience of watching. Indeed, Inger can watch a match with him if she wants, but she can never be part of his football enthusiasm, as she is interested in a false, 'female' way. Inger cannot do anything else but accept it. For Ben, keeping individual projects private is regarded as a man's right.

Ben's individual projects seem to involve a private room reserved for like-minded persons (men) sharing the same interests and competence. Although Inger can do nothing but accept it, she clearly dislikes the idea that partners are supposed to distinguish between individual and common projects: "It is not custom . . . It is as if they are not one unit, but two. It is not the intimate, safe . . . " According to Western ideas of romantic love, lovers are supposed to act as one unit rather than as two competitive rivals trying to get as much time and money for their individual, relieving projects as possible. Her objections contradict the opinions of Ellen and Jan, Ali and Nasrin, but are shared by the male partner of the fourth household, Rolf.

### CASE 4: UNTHOUGHT OF IN THEORY, AIMED AT IN PRACTICE

Rolf, aged 46, lives in eastern Oslo with his Thai partner, Lek. He is on sick leave from his warehouseman's job. Lek attends a course in Norwegian. Rolf spends many hours daily gambling and stock speculating on his PC. As mentioned in the introduction, he was the informant who first used the term 'balance.' In the quoted passage from the interview, Rolf clearly stated that the exchange between spouses should be based on equality, balance. But, although Rolf values the idea of balance, he, like Inger, clearly dislikes the idea that partners should distinguish between individual, common, relieving, and draining projects. Rolf's problem is not that the distinction challenges the idea of being one, but that the household's practices should be somehow regulated. Nor does he like the idea that the household's practices should be governed by reciprocity norms:

- ROLF: It is not supposed to be that way. Then it is no use giving each other something. We should give if we want, I think, voluntarily, when it seems right.
- ANITA: But do you see my point?
- ROLF: Yes, but it is so . . . I have never thought of it like that! That someone should feel that they have to give something in return. It is on another planet! I have never experienced that!

Hence, according to Western ideas of romantic love, Rolf seems to suggest that household's practices should be spontaneous, free, and altruistic. They should neither be planned nor obligatory. They should just be done! Rolf's statements were obviously morally based. Did they also reflect the household's actual practices?

- ROLF: She does most of the cooking and cleaning. I sit at the PC the whole day trading stocks. So far I have earned NOK 100.000 [In April 2008 about 12,400 euro]. So it is damn good! (...) I also buy and sell stock for her. Since she came she has earned about NOK 300.000 [about 37,200 euro]. We travel a lot, all over the world. But this money is never touched!
- ANITA: [*Laughter*] So, you invest and administer her money, she cooks and cleans? Is that fair?
- ROLF: Yes, it is a lot of paperwork.

According to Rolf, the household's exchange follows traditional gender roles. Lek does most of the domestic work, while he is responsible for the household's finances. Rolf seemed to find the balance between them fair. Also Lek seemed satisfied with the exchange between them:

ANITA: What are you doing when he gambles, and speculates on stocks? LEK: Nothing. Watch TV. Listen to music. It is okay.

ANITA: You like spending time on your own?

LEK: Yes! Then I can do other things, shopping . . . What he does, I don't care!

ANITA: You shop . . . ?

LEK: He gave me a card. Generous.

Both seemed happy with the situation. To what extent the household's exchange actually was balanced is of course hard to tell. First, I had access only to signs exchanged in the interview situation. And if I had had access to the household's total exchange over time, I would hardly know if it was balanced. Since the meaning of all signs is complex, multifaceted, and partly contradictory, the total exchange is hard, if not impossible, to judge. How does one, for instance, compare the value of the exchange signs, e.g., the value of emotional utterances such as love expressions and flatteries, and domestic work? Does the total exchange balance over time? If not, who is the subordinated party—those who give more, presumably the women, as suggested by researchers inspired by feminist ideas (Haavind, 1982; Hochschild, 1989; Thagaard, 1997), or those who give less, presumably the men, as indicated by researchers basing their analyses on Mauss (Døving, 2001; Holter & Aarseth, 1993; Fürst, 1995)?

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The interesting point, however, is not to make judgments about the actual exchange between them, but to understand that I, by raising a question of actual balance, also had raised a question of power, and that I, by raising this question, could see the contours of a paradox. According to Western ideas of romantic love, balancing rules are based on ideas of equality, ideas that—if practiced—generally strengthen the household's *raison d'être*. The ideas of equality involve, however, a latent question of power, challenging Western ideas of romantic love based on free, altruistic exchange, ideas that—if questioned—may weaken the household's *raison d'être*. Hence, while balancing rules in practice generally strengthen a household's *raison d'être*, these rules in theory threaten to weaken them. Presumably to shield themselves from the unpleasant experience of being questioned, Rolf and Lek seemed to treat the balancing rules as disowned but aspired doxas, unthought of and unarticulated in theory, but aimed at in practice.

### CONCLUSION

In this chapter, balancing has been understood as a way of acting in social exchange. I focused on the rules informing this exchange. These rules are universal phenomena and concern various properties of relationships. The balancing rules are understood as moral phenomena in terms of involving an obligation to give, receive, and reciprocate signs. They are social phenomena in terms of being rooted in a fundamental, human need for social belonging, for being the same, fitting in, and being a part of. They are regulating phenomena in terms of organizing the exchange of signs and hence the degree of intimacy and power between exchange partners. They are, finally, also coping phenomena in terms of giving the exchange partners a sense of stability, social belonging, and meaning in everyday life.

Balancing rules have at the same time been understood as contextualized versions of universal rules. Based on 15 interviews of 9 households, this chapter has identified and given examples of domestic rules of balance, what they are and how they operate within the bounded environment of households, in which the male, adult partner was betting on football matches. The analysis indicates that a household's consumption of sportsbetting shall adjust to its total exchange of signs in a frictionfree way, a way that all household members find satisfying, reasonable, and fair. None of the 9 households reported gambling problems. In this respect they seemed to control their gambling consumption succesfully. The balancing rules informing their exchange could therefore be regarded as a sign of effective gambling regulation at the level of primary relationships in the context of households. For a more symmetrical analysis of how balancing mechanisms relate to gambling problems one should, of course, also compare these successful households with households that do report gambling problems.

Within the household's model of exchange, the circulation of signs seems to be plotted alongside two crossing dimensions, one dealing with who is doing the project, i.e., to what extent the sign is regarded as an individual or common household matter, and one dimension dealing with the degree of sacrifice, i.e., to what extent the consumption is regarded as relieving or draining in everyday life. Within this model, sportsbetting is plotted as a primarily male, individual, and relieving project. On the one hand, individual projects involve a right to be private, to have a private room reserved for 'like-minded' persons sharing the same interest and competence in sport. On the other hand, individual projects should not be at the expense of something the household members should do together. Since balancing rules involve a question of power challenging Western ideas of romantic love, a household may treat them as disowned doxas, unthought of and unarticulated in theory, but aimed at in practice.

All the sports bettors' partners were asked to participate in the interviews. Six accepted. During the interviews the informants and I were all balancing our stories to each other's, supporting and correcting them, as if we wanted to tell a story that all could accept. By participating in these kinds of balancing processes, the partners were not only shaping and reshaping household realities, they were also signaling a will to maintain the relationship. The importance of balancing, therefore, should not be underestimated. Constructive balancing is, however, not always easy, as it requires a sensitive and obligated orientation towards a complicated, ever-changing context.

### ACKNOWLEDGMENTS

Thanks to Norsk Tipping for helping me recruit informants, and to Tone Schou Wetlesen, Alan Warde, Sytze Kingma, Frank Azevedo, and others who have commented on the chapter. The study was part of the project, Digitadvent (Consuming Digital Oriented Media in Everyday Life: Content and Context), conducted 2002–2007 by the National Institute for Consumer Research, in conjunction with three Norwegian State businesses: Norsk Tipping, NRK and Telenor.

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# 9 Subjects in a StateCultural Economies of Gambling

Fiona Nicoll

### INTRODUCTION

Discourses of addiction not only set out criteria by which some people are defined as outside the realm of proper and viable subjectivity, they also produce the right sort of body, the right way to live, the right way to be and the right sort of relationship to have to oneself and to others ... the growth of addiction demands scrutiny because it is a notion through which specifically liberal forms of political power and government operate efficiently and seductively. (Keane, 2002, p. 189)

[A] society without power relations can only be an abstraction . . . [but] to say that there cannot be a society without power relations is not to say either that those which are established are necessary, or, in any case, that power constitutes a fatality at the heart of societies, such that it cannot be undermined. (Foucault, 1982, pp. 222–223)

Recognition of the central role of the economy in cultural theory is widespread (duGay & Pryke, 2002; Morris, 1992; Pemberton, 1994; Zeilzer, 2001). Less accepted is the constitutive role of gambling in shaping cultural meanings and practices regarded as broadly economic. This may be because gambling is uniquely ambivalent, destabilizing oppositions between work and play, business and pleasure, investment and consumption from which both culture and economy derive their meaning as related, yet distinct, spheres. As cultural meanings and uses of the 'economy' have shifted with neoliberal regimes of governmentality, so too have meanings and uses attached to gambling. As an integral component of global economic flows, gambling has played and continues to play a formative role in shaping local and national cultures in many parts of the world. This chapter aims to both illuminate and unsettle a cultural tension in Australian public discourse between statements such as 'we are a nation of gamblers' on the one hand, and 'problem gambling is a national scourge' on the other. The intersection of these statements marks a site of ambivalence where several questions are raised.

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What sort of individuals do we imagine when we talk about 'problem' and 'recreational' gamblers? Are we imagining abstract individuals of neoliberal economic and social policies who can then be classified as relatively functional or dysfunctional? Or are we imagining embodied subjects marked by race, gender, class, and ability located within specific cultural geographies and political jurisdictions? I also wonder why cultural researchers have apparently been content to leave analysis and debate about gambling to the field of psychology, which focuses overwhelmingly on the small percentage of Australians thought to be 'problem gamblers'? Rather than maintaining a focus on the problematic individual gambler, this chapter seeks to bring some of the problems created by business and government investments in gambling into clearer view. The chapter also examines the relationship between legalized gambling and Indigenous sovereignties.

The first part of the title of this chapter, "Subjects in a State," examines subjects of gambling in relation to two definitions of the term 'state.' Firstly, it seeks to determine the 'condition' or 'mode of existence' in which gamblers find themselves. I will address affective dimensions of this state such as fear, hope, confusion, and desire. Secondly, gambling will be considered with reference to the relationship of gambling subjects to the 'organized political communities' within which they wager (Concise Oxford Dictionary, 1964). This addresses the extent to which contemporary gambling "receives much of its definition from the institutions of State (Parliament, political parties, agencies of administration and law enforcement) and capital (private gambling corporations, marketing agencies) through which it is organized, regulated and experienced" (McMillen, 1996, p. 8). These two understandings of gambling's states are linked together in the chapter's argument that the government of gambling requires the production and continual reinforcement of a border between problem and recreational subjects and the affective states of happiness and unhappiness attached to each. To support this argument I will draw on current literature within gambling studies and work with theoretical frameworks developed by Michel Foucault, Pierre Bourdieu, and Sara Ahmed.

The second part of the title locates the cultural perspective adopted in this chapter within the field of 'cultural economy,' which departs from "a belief that something called 'culture' is both somehow critical to understanding what is happening to, as well as to practically intervening in, contemporary economic and organizational life" (duGay & Pryke, 2002, p. 1). A notable exception to the general neglect of gambling within the field of cultural economy is *Accounting for Taste: Australian Everyday Cultures* (Bennett, Emmison, & Frow, 1999), which incorporated gambling into a broader study of Australian taste cultures. Modeled closely on *Distinction* (1984), Bourdieu's study of cultural economies of taste in France in the early 1980s, the authors surveyed 2,756 Australians followed by interviews at home with 34 of the participants. Gambling was categorized for the purpose of the survey under 'recreational activities.' The authors concluded that all of the modes of gambling studied reflect a more general quality of all leisure activities insofar as they are "organized by an imaginary relation to income: an inversion of the world of work, and the affirmation of an anti-world of unearned achievement and the camaraderie of risk" (Bennett et al., 1999, p. 114).

Writing almost a decade later, ideological analyses of gambling as capitalism inverted seem increasingly inadequate to a global context that has seen earlier lines between gambling and nongambling identities, practices, and institutions eroded to a point where the statement 'We are all gamblers' has much more than rhetorical force. Whether we are deciding to manage our own superannuation or to enter or exit the housing market or worrying about how global warming will affect our housing insurance premiums, there is a growing sense of risk as an unavoidable aspect of everyday life relative to even a decade ago. (Kingma, 2004) While a mutually constitutive relationship between gambling and finance has existed from the early nineteenth century, the growth of financial products commercializing risk over the past decade has made it harder to distinguish between practices that respectively constitute 'gambling' and 'investment' even as an abstract distinction between these spheres retains its moral force within economic and cultural discourses (de Goede, 2005, p. 142). It is not just that the implosion of the US economy in 2008 has rewrought popular cultural understandings of 'Wall Street' from global financial engine room to something more along the lines of a megacasino. It is also that the organization of legal gambling ensures that chance operates in ways that are far from unpredictable and that may elicit cultural routines and subjectivities that mimic-rather than invert-key aspects of the structure of 'work' within postindustrial capitalist societies.

## THE AFFECTIVE SUBJECTS AND DISCURSIVE PRACTICES OF GAMBLING

Australians have long been told that they are natural gamblers; that they "love to gamble." (Costello & Millar, 2000)

I hate pokie machines. (Australian Prime Minister Kevin Rudd, September 11, 2007)

In spite of the emotional intensity that infuses the advertisements, educational brochures, political speeches, novels, films, and television shows that fuel gambling's cultural economy, affective aspects of gambling have often been neglected in gambling research. In the following I will discuss two examples of the powerful affect that attaches to and moves subjects, practices, and technologies of gambling in Australia. My approach to affect builds on Ahmed's argument that it is necessary to move beyond prevailing representations of emotion as subjective interiority to investigate the "sociality of emotion" (Ahmed, 2004, p. 8). This epistemological shift not only relocates affect in the cultural values and understandings shared by individuals at any given time and place. Ahmed further suggests that it requires engagement with the emotions that both 'stick to' and 'move' the subjects and objects of cultural research. I would now like to have a closer look at two examples.

### Example I

A television advertisement for Brisbane's Treasury Casino opens with a shot of a young white and apparently heterosexual couple reclining on a hotel bed after a vigorous session of sex. He turns to her and says words to the effect of "That was amazing. How was it for you?" To which his partner turns and replies, gazing dreamily into space, "It was good but it wasn't exactly 'Treasury." Her voicing of the name 'Treasury' triggers a montage of images of casino activities and the young woman then breathlessly narrates a series of words and phrases including "online jackpots" and "wheel of fortune" . . . She collapses back on the bed, apparently exhausted with sheer ecstasy and her partner with a glint in the eye asks: "Do you want to go again?" *Example II* 

A novelty T-shirt purchased in Brisbane displays a cartoon symbol in profile of two men each with the handle of a vibrating one-armed bandit or poker machine in his arse while coins pour out of his cock. Above the image are the words WARNING POKIES and below "Government Backed Backdoor Tax." Two striking points about this image are its very literal recontextualization of the 'money shot' with which traditional pornographic representations climax, and that its representation of poker machines erotically vibrating players is very close to the truth. In recent years pokies giving subtle vibrations timed to 'go off' with the animated and musical 'features' have been installed in most Australian gambling venues.

There are some obvious comparisons and contrasts between these two examples. In contrast to the Treasury advertisement's portrayal of a happy white heterosexual couple, the T-shirt iconography is racially unmarked and at once homoerotic and masturbatory. And whereas the Treasury's vision of legalized gambling is one of glamour and winning, the T-shirt paints it in terms evoking pathology, addiction, and loss. While the ad is concerned with feeling good, the T-shirt evokes bad feelings. Yet the thread of eroticism binds them together in legalized gambling's broader affective field. Whereas gambling at Treasury feels even 'better than sex,' the T-shirt is suggestive of the masochistic use of poker machines to make us 'hurt so good.' Between these two cultural representations of legalized gambling and its affects lies an ocean of ambivalence.

While the Treasury ad highlights gambling's positive associations with sex, the T-shirt encapsulates the way that affective responses to gambling in Australia have become stuck on two figures: the problem gambler and the problematic poker machine. There are several related reasons why these figures should be so dominant. Since deregulation in the early 1990s, the number of poker machines, or 'pokies,' has grown dramatically in most state jurisdictions between 1990 and 2008. By 1999 Australia had over 21 percent of the world's high-intensity poker machines with 133 machines per 10,000 adults (Costello & Millar, 2000, pp. 77-78). In 2004 pokies comprised well over half of all types of gambling expenditure in most states (Livingstone & Woolley, 2007, p. 361). Located within licensed venues in the lowest socioeconomic regions, these machines are the most voracious in the world, able to dispense with \$AU5.00 in the single press of a button and deliver losses of up to \$AU720 per hour, compared to \$AU130 in the UK and \$AU52 in Japan (Costello & Millar, 2000, pp. 77–78). Australians not only lose close to the equivalent of the annual defense budget (Costello & Millar, 2000, p. 72), these losses are also borne by about 20 percent of players who provide about 80 percent of pokie revenue (Doughney, 2002, p. 22).

The relatively recent march of poker machines into licensed venues in most Australian states is the product of, and reproduces conflicts between, the states that are responsible for regulating gambling and that directly benefit from the high taxes they deliver from punters to government treasuries. This makes 'problem gambling' a key issue in debates between states that have different regulatory regimes. For example, Western Australia, which is the only state to have contained pokies within the state's casino, regularly produces figures demonstrating lower levels of gambling expenditure per capita and less demand for services, such as emergency housing and food relief, to address the negative impacts of problem gambling. The states of South Australia and Victoria have claimed to be minimizing problem gambling through a range of measures including smoking bans, the inclusion of a clock on the interface of poker machines, and limiting the denomination of currency that can be put into them. Newspaper articles addressing the risk of becoming dependent on pokies, as well as 'exposés' on television current affairs programs, are commonplace in all Australian states.

It would not be exaggerating to claim that poker machines have come to be widely regarded as evil incarnate in Australian culture. The most explosive expression of this is the title of a popular song written by Tim Freedman, the lead singer of 'Indie' band, The Whitlams, titled "Blow up the Pokies." This song was dedicated to a fellow musician who committed suicide after a long period of gambling addiction. (Milton, 2001) In a more humorous register, the evil pokie theme is explored in an installation by Australian artist Lauren Tan titled *Poker Machine of Death*. In this piece the reels of a poker machine spin to reveal different kinds of coffins and funerals the player can win, from basic models through to the most extravagant. Another example is the public outrage provoked when a Brisbane discount chain store was found to be selling a battery-powered toy poker machine pitched at children aged 3 and over. A worker from a gambling health service complained that "Machines like these encourage young people to experiment with forms of gambling . . . I don't think this country needs electronic gaming machine toys. They are not helpful or healthy" (*Courier Mail*, April 2, 2006). If one steps outside the prevailing cultural logic, this concern seems quite peculiar. Surely very young children are much more likely to associate 'automatic teller machines' (ATMs), which share significant design features with pokies, with free money than a 'slot machine' toy. Rather than banning toy pokies, it would make more sense for children to be taught, and for adults to remember, that there is one important difference between the two machines. A poker machine will never give you money you don't have in contrast to an ATM, which will almost certainly give you a cash advance on your credit card.

It was possibly due to the pervasive demonization of their product in popular culture that the gambling industry organized a two-hour parallel session titled "Machine Anatomy" at the National Association of Gambling Studies conference in 2004. In this session, attended by academics, policy makers, and problem gambling support agency workers, industry representatives dismembered and reassembled an actual poker machine. Was this just in case we thought they had a soul? Cultural representations and responses to the figure of the evil poker machine can, I would like to argue, be understood as projections onto poker machines of the negative aspects of a larger system of governmentality Kingma calls "the gaming complex." According to Kingma (1997, p. 173), the gaming complex provides a direct way of "converting money into pleasurable experience" and incorporates "market composition, availability, marketing and production, bureaucratic institutions and regulatory processes, policing and health care." As an increasingly autonomous component of broader cultural industries selling 'entertainment,' the gaming complex is a site of multiple discursive struggles over power and knowledge, as indicated in this quotation from Reith (2007, p. 51):

The possibility that individuals might chose to risk their money on something as insubstantial as the operation of chance seems a perversion of the very freedom of choice that liberal Western societies value so much, and, as such, is expelled and classified as "other" in a move that gives birth to the pathological gambler as a distinct historical subject.

Foucaultian approaches have proved fertile in generating understandings of gambling's cultural economies. In particular, applications of his concepts of 'genealogy,' 'discourse,' and 'governmentality' have illuminated ways that gambling is embedded in broader social regimes of power and knowledge. My analysis of gambling talk in Australia departs from Foucault's argument that: There is no binary division to be made between what one says and what one does not say; we must try to determine the different ways of not saying such things, how those who can and those who cannot speak of them are distributed, which type of discourse is authorized, or which form of discretion is required in either case. There is not one but many silences, and they are an integral part of the strategies that underlie and permeate discourses. (1978, p. 27)

In this context Livingstone and Woolley (2007, p. 362) identify the terms of collaboration between governments and business and the possibility of altering structural aspects of poker machine design as silences that structure gambling's "discourse of business as usual." A productive effect of this discourse, they argue, is that "current arrangements are legitimated by, and hide behind, the figure of the 'recreational gambler' and their rights to 'enjoy' unsafe [poker machine] characteristics" (2007, p. 371).

Foucault's method of genealogy aimed to highlight the radical contingency of things that appear through discourse to constitute themselves as natural objects of human knowledge at any given time and place. A genealogical approach is particularly useful in understanding the relatively recent arrival of the problem gambler within the disciplines and institutions of medicine and psychology. For much of the nineteenth and twentieth centuries gambling was understood in religious or moral terms as a form of vice or sin. It wasn't until 1980 that gambling was included in the American Psychological Association's Diagnostic and Statistical Manual as an "impulse control disorder" (Reith, 2003, pp. 20-21). Reith draws on Foucault and subsequent work by Rose (1999) on governmentality to explain how the problem gambler has been discursively produced as a pathological subject. As such, Reith (2007, p. 37) argues that she or he is characterized by the inability to responsibly exercise the 'freedom' with which consumption is associated in neoliberal constructions of gambling as a "democracy of chance."

Chemical and genetic causes have increasingly been sought to explain why some people gamble destructively. This can be seen in an article published in *Australian Readers Digest* (2003, pp. 84–91) titled "The Psychology of Pokies." The subtitle asks "Why Are Poker Machines So Addictive?" and reassures us that "Science Is Providing Some Answers." A list of contact numbers for help is provided as part of the article and readers are invited at the end of the piece to take a self-test on the *Australian Readers Digest* Web site to determine "What sort of pokies player are you?" Other examples of the pathologization of gambling include the use of magnetic resonance imaging to observe activity in different parts of gamblers' brains (*USA Today*, May 24, 2001), and the dedication of a recent segment of the Australian Broadcasting Corporation's popular science program *Catalyst* (October 9, 2008) to explore the proposition that "gamblers may be fundamentally different to nongamblers."

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Pathological discourses of 'problem gambling' have had several productive effects. These include the establishment and funding of services, the development of new legislation, the stigmatization of individuals and groups, and the demonization of poker machines as a gambling medium. Attention to the silences within gambling discourses highlights the extent to which gambling and gamblers have been researched and regulated in isolation from the social environments within which cultural meanings and practices of gambling are forged. The extremely detached way that gambling tends to be discussed in public forums sits oddly with the fact that most Australians regularly engage in some form of legal gambling activity. As psychologist and academic researcher Walker (1998, p. 4) notes, "I am continually surprised by the extent to which those in government who regulate the gambling industries, those who research gambling issues and those who seek to help gamblers in trouble are not themselves regular gamblers."

Notwithstanding the reluctance of agents authorized to speak within gambling's cultural field to closely explore our own experiences of gambling, we are nevertheless expected to refrain from expressing public disapproval of gambling in general. Perhaps this is not surprising in a context where the second largest city in the nation, Melbourne, dedicates a public holiday to celebrate a horse race called the Melbourne Cup. As anti-pokie campaigner Tim Costello notes, it is almost conventional to preface one's discourse on problem gambling with words to the effect "Like any other Australian, I enjoy a punt on the Melbourne Cup" (Costello & Millar, 2000, p. 245). This discursive pattern is also evident in the form of a Victorian politician's preface to his call for the abolition of poker machines, "I am quite happy to tip 10 or 20 dollars into a gaming machine [but they are] causing enormous damage to individuals, families and the very fabric of our society" (Austin, The Age, May 26, 2005). The ambivalence that characterizes discursive practices of gambling simultaneously affirms gambling as a positive aspect of Australian culture while reinforcing prevalent concerns about the social impact of pokies and the problem gamblers with which they are so closely associated.

### THE PROBLEMATIC TASTE FOR POKIES

Intellectuals and artists are so situated in social space that they have a particular interest in disinterestedness and in all the values that are universal and universally recognized as highest. (Bourdieu, 1984, p. 317)

Reluctance on the part of gambling researchers to position themselves as consumers of legal gambling products might partly be due to the strong affect of shame that contagiously attaches to gambling in the context of forums where problem gambling is at issue. However, considering that poker machine gambling is widely recognized, including by the industry itself, to be a particularly "blue-collar" form of entertainment (Doughney, 2002, p. 22), cultural politics of taste are also entailed. In his discussion of how judgments of taste about cultural products function to "classify classifying subjects," Bourdieu (1984, p. 11) identifies taste as "one of the most vital stakes in the struggles fought in the field of the dominant class and the field of cultural production." He also notes an irreducible essentialism within the field of aesthetic production and consumption. Regardless of your levels of educational achievement, when it comes to art, the prevailing social fiction is that you either 'have' the capacity to exercise judgments of taste or you don't. Aesthetic judgments are not confined to the art world and their circulation within the cultural field of gambling in Australia products has certain practical effects.

A successful application against a proposal by a hotel to acquire a gambling license in a rural town in Victoria was rationalized largely on aesthetic grounds. Illustrating the role of class discrimination in the ways that poker machine venues and players are positioned within Australian society, the Shire of Indigo's Draft Gaming Proposal (2000, pp. 22-23) framed community concerns in the following terms: "Fear has been voiced that the introduction of EGMs could reduce the number of tourists and may reduce the uniqueness of this area in tourists' minds. . . . With many areas in the Shire listed as historic sites venues with EGMs would be encouraged by the machine owners to display inappropriate signage, thus devaluing the aesthetic value of some streetscapes." This document clearly links the exclusion of pokies to the middle-class leisure activity of 'heritage tourism' associated with the Shire's prosperity. However, the document also draws on problem gambling discourses to argue that pokies might pose a danger to "vulnerable members of our community." This example suggests a sense in which the 'problem gambler,' lacking both aesthetic taste and self-discipline, is constructed as a social subject who is the antithesis of the 'aesthete' or the 'intellectual,' defined by Bourdieu as an individual whose consumption of culture is characterized by the disinterested playing of the game of classification, which lies at the heart of the faculty of judgment.

Popular and academic representations of the problem gambler could not be further from Bourdieu's description of aesthetic and intellectual subjects. As subjects invested in "all the values that are universally recognized as highest" (Bourdieu, 1984, p. 317), researchers are apt to imagine that the gambler classified as a 'problem' revels in the gambling room's kitsch décor and is oblivious to the judgments of others as he feverishly invests his hard-earned wages into a poker machine, luring him like a siren to the rocks of destitution with its flashing icons and catchy musical phrases. There are at least two problems with this picture of the problem gambler. The first is that it fails to engage with players' own understanding, or what Bourdieu (1977) would call their 'practical knowledge' of what they, or we, are doing when we wager on pokies. The second is that it fails to address what researchers and other public players within gambling's discursive field have invested in not problematizing prevailing representations of 'the problem gambler.'

The personal preferences of researchers in leisure and entertainment might successfully mask other compelling political reasons for researchers and other players in gambling's cultural field to maintain silence about their critical orientations towards legal gambling. With the exception of some of the minor parties and an Independent South Australian MP elected to the national Senate on an explicit 'No Pokies' platform, support for legal gambling crosses major party lines. Thus, debates about gambling in public forums tend to take two things for granted. Firstly, that, on balance, legal gambling is a good thing for governments and consumers, and secondly, that the impacts of problem gambling need to be minimized, if not eliminated altogether. What is rarely if ever discussed is the way that discourses of problem gambling might themselves be producing an underclass of 'blameworthy victims' that can be held up as negative exemplars of neoliberalism's project of producing financially literate and responsible subjects.

To further explore cultural economies of gambling, Bourdieu's account of distinction (1984) can be brought into relation with Foucaultian accounts of 'biopower' (2003) as the most efficient organization of forces across a given social field. The social organization of legal gambling might then be understood as a regime of 'finopower.' The concept of 'finopower' offers a way of accounting for distinctively neoliberal regimes of governmentality in postindustrial societies where a proliferation of gambling options has coincided with an explosion of financial products, services, and information. Within such regimes money is approached less as a resource to be hoarded, squandered, or multiplied than as a powerful force about which citizens need to acquire specific knowledge and towards which we need to cultivate cultural dispositions aligned with an often amorphously defined goal of financial success. In the name of improving services, eradicating inefficiencies, and individual consumer choice, the social welfare networks that supported the biopolitical state have been gradually dismantled in affluent, postindustrial nations. This has caused governments to develop neoliberal policies that discriminate between those in whom financial independence can be successfully cultivated, on the one hand, and those who are 'beyond hope' on the other. This means that the crisis of the public health system and state governments' dependence on gambling revenue can converge in disturbing ways. Regular donations from those labeled as 'problem gamblers' are used in some jurisdictions to provide revenue for underfunded hospitals, which these people may nevertheless not be able to easily access due to having made the 'bad choice' of investing their time and savings in pokie play.

### THE RECREATIONAL GAMBLER

Moderate gambling has become increasingly dependent on a provident and self-regulative stance taken by gamesters, and . . . it is precisely the concept of addiction that is socially effective in demarcating this . . . addiction is put to work as a 'disciplinary concept,' exorcising gaming excess and at the same instant enabling fancy, moderate gaming. (Kingma, 1997, p. 182)

Why has the problem gambler been extensively researched and defined while the recreational gambler, like James Bond, retains such an alluring aura of mystery? How can we begin to appreciate the particular quality of the happiness that gambling is assumed to bring to 'recreational' gamblers? A Google search of Web sites respectively dedicated to recreational and problem gamblers worldwide produces far less hits for the former than for the latter. While this is an extremely crude research instrument, it is indicative of the extent to which problem gambling is regarded as significant relative to recreational gambling. To the extent that the happiness experienced by Australian gamblers remains outside the investigative scope of research, our understanding of the affective spectrum entailed in participation in legal gambling will remain heavily weighted towards various forms of unhappiness attached to those individuals and groups deemed vulnerable to addiction. Celebrity poker players on World Poker Tour will be left to stand metonymically for the silent majority of the 'recreational' gamblers.

A sense that the recreational gambler is the 'dark continent' of gambling studies was explicitly addressed by Alan Windross (2004), a former racing industry executive, who declared himself to be simultaneously an "unashamed gambler and researcher on recreational gamblers" in a conference paper titled "Recreational Gamblers: Forsaken by Researchers; Forgotten by Media." Although it does underscore the existence of a real gap in public debate, this somewhat hyperbolic representation of the disparity between the attention given to problem and recreational gamblers requires some qualification. The issue for cultural research is not that the subject of recreational gambling is actually excluded from discourse. Indeed, we have seen that she or he plays a key role in authorizing public statements about problem gambling. Rather the challenge is to understand the cultural work that the very amorphousness of the figure of the recreational gambler facilitates.

Doughney (2002) critically evaluates economic arguments about the 'benefits' received by recreational gamblers offered by business and political interests to support the growth of legal gambling in Australia. With specific reference to poker machines he identifies several problems with neoclassical demand theory's assumption of a 'consumer surplus' that is enjoyed by freely choosing individuals in the marketplace. Firstly, he points out that "spending patterns are influenced by marketing so much that it

is impossible to identify 'whose benefit' is being measured" (Doughney, 2002, pp. 145–147). Secondly, he argues that:

It is wrong to treat each dollar and each person as equivalent in kind ... loss may result in harm and "the consumer's deficit" or loss of enjoyment from the "thrill of the punt" depending solely on the quantity lost. Measuring benefit when people lose is problematic ... The only situation the consumer surplus would seem to explain is that of the dedicated "frivolous" gambler who knows he or she will probably lose but doesn't care as long as they get enjoyment. (157–160)

As long as interpersonal comparisons are precluded from the calculations of happiness produced by economic models of legal gambling's 'benefits,' we are left with the culturally discordant image of a 'dedicated frivolous gambler' sitting at a pokie machine somewhere in an Australian club, hotel, or casino.

Doughney's work suggests that an important function of the figure of the recreational gambler is its capacity to anchor gambling discourses securely in an 'individual subject.' Social psychology research provides further grounds for challenging constructions of the individual consumer in whose name assertions about the benefits delivered by gambling to recreational users are made. In a study of how gamblers are affected by the "imagined or implied presence of others," Rockloff and Dyer (2004) found that subjects playing simulated poker machines in laboratories behaved differently depending on whether they believed they were gambling alone or whether others were gambling in adjacent rooms. They also found that the belief that others were winning provided an incentive to continue spending money on the machines. They concluded that gambling is "a social experience even in the absence of interaction among players" (Rockloff & Dyer, 2004, p. 260).

While Doughney's critique of neoclassical economics and Rockloff and Dyer's social psychological research underscore the inherently interpersonal or social character of gambling, they don't tell us much about encounters between gamblers as embodied subjects marked by histories and contemporary practices that distribute meanings and identities along various axes including race, gender, sexual orientation, and relative physical, intellectual, and psychological abilities. Such embodied intersubjective dimensions of gambling are not restricted to physical venues. Online mechanisms that culturally locate players as the subjects of concrete social identities include the ascription of nationality on screens for real-time discussion as well as clearly gendered and raced avatars to inhabit while playing.

Physical and virtual spaces of gambling, then, might be understood as key sites of 'togetherness in difference' within which subjects negotiate relationships characterized by what cultural theorist Ien Ang describes as "complicated entanglement," a state "in which difference and sameness are inextricably intertwined" (Ang, 2001, p. 201). Viewed as a social and embodied cultural practice beyond the abstract individual implied by the binaries of happy versus unhappy gamblers and problem versus recreational gamblers, researchers might be able to identify different styles and ethics of gambling that respectively emphasize competition, cooperation, and collaboration. The following section explores the challenge facing those who would undertake this task, however, demonstrating how gambling regulation mobilizes the concept of addiction to keep these binaries firmly in place.

### THE PROBLEM GAMBLER

As long as the discourse of business as usual is able to focus attention on individuals as the authors of their own misfortune, the continuation of [the poker machine] techno-commercial system is assured.(Livingstone & Woolley, 2007, p. 373)

Nothing existed inside that venue except the pokie machine. So you weren't a wife. You weren't a worker. You weren't a mother. You were just there playing a poker machine. That was it. You zoned out in there. You escaped everything. You escaped real life. (Connie, ex-gambling addict, *Catalyst*, October 9, 2008)

Arguments for qualitative research on the way that people from different social and cultural backgrounds coexist and interact within gambling spaces might begin with Ahmed's (2000, p. 14) exploration of "strange encounters" between "embodied others in postcoloniality." She examines the way that 'stranger fetishism,' or the idea that the stranger is an ontological presence prior to our embodied encounters with him or her, obscures the social relations that allow "us to face that which we have already designated as the beyond" (Ahmed, 2000, p. 3). This helps us to understand why, notwithstanding its relatively recent arrival onto the scene of knowledge production and governance, the 'problem gambler' is nevertheless a strangely familiar figure. Simultaneously a threat to the ineffable 'happiness' of recreational gamblers and incapable of responsible self-governance, the problem gambler is above all an individual who must be protected from him or herself. Like Ahmed's fetishized 'stranger,' he or she is a vehicle of an essentialized ontological difference in the first instance, and recognizable as a member of a particular social group only in the second instance. How is the stigma projected onto the figure of the problem gambler related to preexisting constructions of social difference in Australia?

In his discussion of gambling regulations in the Netherlands, Kingma (1997, p. 182) points out: "Even if gamblers could be objectively classified as addicts they, or others, do not have to acknowledge that. Addicts first have to 'come out'... To operators, legislators and police, addicts remain ordinary consumers, as long as they adhere to their standards of gaming

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behavior." For business as usual to continue uninterrupted by accusations of racial, sexual, or other forms of discrimination in clubs, casinos, and pokie venues, it is imperative that problem gamblers are self-identified in the first instance, rather than singled out by business owners and employees. There is a whole industry in place, comprising psychologists, priests, financial counselors, doctors, and academic researchers dedicated to subjectifying those who have borne large losses as a consequence of their purchase of legal gambling products as 'problem gamblers.' Having been identified as such, and accepted the diagnosis, problem gamblers in Australia are 'free' to become part of a 'self-exclusion' program, jointly developed and administered by state governments and the gambling industry, to minimize harm to individuals and to protect 'recreational' gamblers from the spectacle of the unhappiness of those whose losses have cost them dearly. (Evaluation of self-exclusion program, 2003) But while some individuals may benefit from participating in self-exclusion programs, the hierarchical organization of 'care,' entailed by entrusting one's welfare to the experts, also has the effect of producing the very individualized subjects that gambling's aspect as a social practice is potentially able to disrupt.

Ahmed (2000, p. 180) argues that it is through 'strange encounters' with embodied others in everyday life that the possibility of new, collective solidarities emerge, "beyond the opposition between common and uncommon, between friends and strangers, or beyond sameness and difference." Following this line of reasoning, the discursive production of the problem gambler, figured as the stranger who must be expelled to sustain the 'happiness' of recreational gambling, is a worrying development. Self-exclusion schemes might actively encourage gamblers to read one another as always already recreational or problem gamblers. As a consequence, the collective and individual histories written on our bodies and carried through our speech and cultural styles become matters of indifference and productively strange encounters are unlikely to occur. In this regulatory context, it becomes difficult to inquire, in a nondisciplinary manner, whether the person sitting at the poker machine next to you is enjoying him or herself. The corollary of this is an affective reorientation within practices of gambling as punters are liberated from having to care about the person sitting beside us, knowing that responsibility for this care has been transferred to the consulting rooms of professional experts whose positions are more or less directly funded by the taxes they are generously donating in any given gambling session. Should the person sitting beside me fail to avail themselves of these professional services, 'come out' as a problem gambler and exclude themselves, it is my prerogative to condemn their lack of selfresponsibility.

A discussion of the cultural work of addiction would be incomplete if it failed to address the rhetorical claim that governments have become 'addicted' to the tax revenue raised by legal gambling. This claim is usually made by those opposed to the expansion of legal gambling forms or those dealing with its devastating aftermath within low-income communities. But this claim fails to address an important distinction, because, in contrast to the monetary losses disproportionately borne by members of some social groups rather than others as a consequence of gambling, governments cannot lose from their investment in legal gambling forms. This distinction matters because a central basis on which we distinguish states of happiness from states of addiction is that, in contrast to the former, the latter must also take something away from the subject. Hence, signs of addiction typically include relationships destroyed, assets repossessed, and loss of employment.

The only losses that governments stand to bear from legal gambling relate directly to the number of citizens who manifest symptoms of addiction. Even these losses can be minimized to the extent that these people are able to be governed as self-responsible subjects rather than as noisome 'victims' of corporate greed. In resisting the rhetoric of addiction in accounting for governments' investment in legal gambling, it is useful to adapt Raymond Williams's famous challenge to deployments of the term 'masses' (Williams, 1958, pp. 83–84), and insist that "there are no problem gamblers, only ways of seeing people as problem gamblers." To challenge the existence of the gambling addict is not to deny the losses experienced by a significant number of Australian gamblers. Rather, it is to focus attention on the social position of those Australians prior to and independently from their engagement with legal gambling. The question then becomes: How might seeing people as problem gamblers prevent questions from being asked about the ownership of gambling and governance of gamblers? The following section explores how subjects of gambling are racialized and articulated in relation to Indigenous sovereignty claims.

### GAMBLING WITH INDIGENOUS COMMUNITIES

Indian Country's Winning Hand. Come Join Our Full House. (Advertisement for conference on 20 years of the Indian Gaming Regulatory Act, *Indian Gaming*, April 2008, p. 77)

They are first Australians, they are ours . . . and they deserve to get the treatment that everybody else gets.(Amanda Vanstone, former minister for Indigenous Affairs, *Australian*, 2004, p. 6)

In the previous sections I have shown that most talk about gambling in Australia departs from the premise that, like recreational sex, legalized forms of gambling provide a source of happiness for most people and a source of unhappiness for a problematic minority. This representation prevents certain questions from being asked of the relationship between the expansion and promotion of gambling technologies, federal welfare policies, and state-federal taxation arrangements. It has also enabled 'pokie addiction' to become associated with an underclass that is the specific target of neoliberal government intervention. In Australia this is most obviously apparent in relation to Indigenous people, whose entitlements to political representation and services have been under sustained attack through policies of 'practical reconciliation.'

After the dismantlement of the elected national Indigenous representative body, the Aboriginal and Torres Strait Islander Commission (ATSIC) in 2004, 'practical reconciliation' policies have steadily displaced policies that recognized limited rights to self-determination. These policies include regimes of mutual obligation where basic services and facilities are provided to remote Indigenous communities only if they agree to do something in return. One of the first and most publicized cases of mutual obligation involved members of the Mulan community in central Australia signing a Shared Responsibility Agreement (SRA) to wash their children's faces in return for the installment of petrol bowsers. Other proposals include the withdrawal of welfare benefits from parents who don't send their children to school and from young people who fail to look for work or study opportunities. (ABC Online, March 10, 2006)

In 2007 the neoconservative Howard government cited the findings of a report revealing high rates of child sexual abuse in remote Indigenous communities to justify a federal 'intervention' in the Northern Territory. There were three elements of this 'intervention,' a term that seemed to deliberately evoke therapeutic discourses aimed at bringing addicts under control (Keane, 2002, pp. 79-83). The first revoked a permit system restricting non-Indigenous access to communities and empowered officials to remove pornography from remote communities and to test children for signs of sexual abuse. The second quarantined up to half of residents' welfare payments for spending on 'essentials' such as food and rent. The third aimed to cultivate a culture of private home ownership as a condition of government committing resources to public housing, schools, and other forms of infrastructure. The intervention has attracted criticism both within and beyond Australia for the government's suspension of the Racial Discrimination Act (1975). The recently elected Labor government has promised to extend measures beyond remote Indigenous communities to encompass non-Indigenous citizens. However, this does not answer critics who point to the inherent racism of using Indigenous policy experiments as the ground for targeted government interventions into the lives of other disadvantaged individuals and groups in Australia.

Gambling's representation and regulation in Australia underscores the extent to which certain cultural, economic, and political practices of globalization are patterned according to 'white diasporic' investments and preferences (Osuri & Bannerjee, 2004). Anthropologist Ghassan Hage argues that white Australians become afflicted by a deficit of 'social hope' when our sense of national ownership appears to be under threat: "Compassion, hospitality and the recognition of oppression are all about giving hope to marginalized people. But to be able to give hope one has to have it," and he asks "why is it that the great majority of the population of the Western world are left with so little hope for themselves today, let alone for sharing with others?" (Hage, 2003, p. 9).

The orientation of white Australians towards Indigenous people has also been explained by sociologist and critical whiteness theorist, Aileen Moreton-Robertson, in terms of the "possessive investment in patriarchal white sovereignty":

[The] possessive logic of patriarchal white sovereignty works ideologically to naturalize the nation as a white possession by informing and circulating a coherent set of meanings about white possession as part of common sense knowledge and socially produced conventions. (Moreton-Robinson, 2004, n.p.)

The ideological framework of white possession identified by Moreton-Robinson and Hage explains a shift over the past decade and a half whereby Indigenous 'rights' have been presented as drains on an existing reservoir of white social hope for the future while Indigenous 'responsibilities' have been presented as a way of conserving hope. This requires that a line be drawn between the dispossession and abuses of Indigenous Australians and resources that are relegated to the past, and a brave new world in which their demands for justice, having been successfully painted as motivated by greed and irrational resentment, are able to be put aside to focus on 'fixing' pathologies within Indigenous communities in the here and now (Nicoll, 2008). In this context of a pathologizing whiteness, welfare payments are sometimes termed 'sit-down money' by proponents of practical reconciliation, and gambling, along with drinking alcohol, is regularly listed as one of the self-destructive pastimes that Indigenous people should be discouraged from engaging in.

To the extent that the economic agency of Australians is shaped by a possessive investment in patriarchal white sovereignty, mastery of legal gambling forms is arguably a cultural skill that every successful and selfresponsible subject must acquire in order to feel complete. This racialized form of 'finopower' is evident in the domination of the design and iconography of Australian gambling venues and poker machines by tropes of colonial history, from explorers and gold diggers to bushrangers. An interior panel of the Treasury Casino in Brisbane features a mural that pictures the casino as a mirage in the desert with three white adventurers in acubra hats celebrating a trunk filled with gold coins in the foreground. Such Orientalist and imperialist themes are the rule rather than the exception, with an entire suite of machines linked to a jackpot dedicated to the 'Adventures of Major Money,' a lantern-jawed safari-hatted cartoon character who strikes it rich in a variety of global settings, from outback Australia, through to South America, Egypt, the polar regions, and the Great Barrier Reef.

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Two of the most successful designs by 'Aristocrat,' Australia's oldest poker machine manufacturer, are 'The Queen of the Nile' and 'Indian Dreaming' or 'Moon Fire.' The Egyptian-themed machine evokes the treasures of one of the first great ancient 'civilizations' discovered and plundered by Europeans in the course of archaeology's colonial adventures. 'Indian Dreaming' offers images of warriors in headdress, dream catchers, teepees, and a distinctive musical theme of drumming and chants, evoking a patriarchal and spiritual culture. A machine that explicitly includes reference to Indigenous Australia is Aristocrat's 'Kakadu Dreaming.' This machine features images of animals and a didgeridoo soundtrack. In the absence of representations of human beings, it seems to disturbingly equate Indigenous people with 'native' flora and fauna. My argument here is that while connotations triggered by many of the signs within poker machine iconography are rooted in the myth of Australia as a 'lucky country,' they also evoke a national context where the issue of Indigenous sovereignty remains unresolved. In contrast, the 'Indian Dreaming' design appears to reference the situation in Canada and the United States where sovereignty rights have enabled groups of Indigenous people to own and operate large land-based and online casinos.

In 1987 the Supreme Court of America upheld the rights of Indian tribes as sovereign nations to conduct gambling business on their reservations insofar as this was consistent with the type of gambling allowed within the states in which they exist. In 1988 Federal Congress passed the Indian Gambling Regulatory Act (IGRA), which recognized the rights of tribes to run gambling businesses but that also gave states the power to regulate these through state tribal agreements, which in some cases entailed a considerable share of profits going to the states. Considering the predominantly service positions, such as cleaners, croupiers, and floor managers, in which first nation people are often employed in US and Canadian casinos, and the limited number of Indigenous people who are able to derive benefits from their ownership, it would be wrong to claim that the IGRA has finally resolved long-standing sovereignty issues in the United States. (See Light and Rand, 2005) But it does help to sever the connection between gambling and Indigenous pathology mobilized in discourses of practical reconciliation in Australia.

The mere fact that gambling has been used elsewhere to respond to social inequalities faced by Indigenous people complicates the distinction made in Australia by advocates of 'practical reconciliation' between participation in a 'real economy' of private enterprise on the one hand, and a 'welfare economy' based on government handouts on the other. It also underscores the extent to which gambling has become totally disarticulated from Indigenous rights in Australia. Evidence of this disarticulation can be seen in a special 'focus on communities' section in an issue of Queensland's *The Courier Mail*. The first story, titled "Lawsuits Planned on 'Stolen Wages' Claims" describes the refusal of many Indigenous people to accept "a one

off-payment of \$2,000 to \$4,000 for wages which were illegally confiscated by the Aborigines' Protection Board between 1940 and 1970." This story sits beside another titled "State Tax Take Jumps as Pokie Loss Hits \$1.73 [billion]" (*Courier Mail*, February 21, 2006). The fact that these two stories can exist side by side, without generating discussion about how gambling revenue might be used to fund the payment of fair compensation to those Indigenous people whose wages were stolen at different times during the twentieth century, seems remarkable.

I have argued that the iconography of some of the most popular Australian poker machines implicitly references unresolved sovereignty struggles in a white settler-colonial nation. The spread of poker machines into previously unconquered spaces of the nation poses a different problem in relation to discourses of Indigenous pathology. This is because it poses a direct conflict between the profit-seeking of commercial operators and the obligation of governments to protect 'vulnerable' groups from developing problematic gambling behaviors. How to balance the individual rights of 'recreational gamblers' with the needs of Indigenous people to be 'protected' from this legalized vice? That such questions are implicitly framed by an anxiously 'possessive investment in patriarchal white sovereignty,' rather than the priorities of Indigenous people, is apparent with reference to the battle over poker machines close to the homelands of the Yalata Aboriginal community.

Practical reconciliation advocates have frequently associated the assertion of Indigenous rights to self-determination with various forms of social dysfunction, including gambling (Windschuttle, 2000). However, the Yalata community actively exercised their right to prevent a local non-Indigenous business from installing pokies on their premises. This was not part of a practical reconciliation agenda of stamping out gambling, but rather due to their view that the illegal gambling on regular card games organized in the community was less destructive than poker machines.

Their objections to the [pokies] were that the people in the community were already poor; that they gambled at cards but the winnings were distributed through the community and no one went hungry; and that if [pokies] were introduced the money would be lost to the community and everyone would go hungry. (Brady, 2004, p. 12)

The Yalata community's rejection of pokies here resists the encroachment of white possession in both its private—business—and governmental—taxraising—forms. Refusing to invest in pokies and persisting with community card games can be seen as a way of not simply conserving social hope but of ensuring its circulation within the community. In a national political context where Indigenous ownership of gambling enterprises is never mooted, and where physical hunger looms as a possible outcome of the introduction of pokies, the choice to keep these machines at bay seems as much about

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avoiding that ultimate unhappiness as it is maintaining the happiness that is produced by community card games. The Yalata community's distinction between gambling's value as a social and cultural practice on the one hand, and the threat posed by regulated commercial forms of gambling on the other, prompts some final questions about the relationship between regulation and gambling technologies.

### CONCLUSION

[There] is a need to radically question the economic view which individualizes everything—production as much as justice or health, costs as well as profits—and which forgets that efficiency, which it defines in narrow abstract terms, tacitly identifying it with financial profitability, clearly depends on the outcomes by which it is measured ... Against this narrow short-term economics, we need to put forward an *economics of happiness*, which would take note of all the profits, individual and collective, material and symbolic, associated with activity ... and also all the material and symbolic costs associated with inactivity. (Bourdieu, 1998, p. 40)

This chapter on the state of subjects within cultural economies of gambling has partly been an attempt to unravel a mystery: If pokies are so 'bad' for us why does playing them sometimes feel so good? I have argued that, rather than constituting transparent evidence of the problems caused by gambling addiction, the unhappy figure of the problem gambler, a disembodied individual detached from socially located groups, is a useful cultural figure of neoliberal governmentality. If the poker machine is also taken to be a powerful cultural figure, rather than an inherently dangerous technology, certain questions arise. To what extent might it be possible for pokies to become social agents of good rather than evil? Of progressive rather than of regressive taxation? Of redistributive justice rather than of daylight robbery? Can we imagine how this technology might facilitate an "economics of happiness" (Bourdieu, 1998) that doesn't require the discursive production of particular individuals and groups as dysfunctional and beyond hope and, hence, social investment?

It might be the extremely remote possibility of fiscal transformation, whereby a player subjectified as a potential problem gambler is transformed in an instant into a 'jackpot winner' that enables gambling to produce a form of happiness that is neither reducible to an abstract 'consumer's surplus' nor the addict's illusionary desire for that which depletes him or her. To the extent that cultural spaces and subjective experiences of gambling are punctuated by such rare transformative moments, the vagaries of luck might themselves become a source of hope against neoliberalism's otherwise relentless

production of winners and losers through the mechanisms of the economy proper of which gambling industries form a significant part. It is tempting to present the transformative power of winning a jackpot as a temporary suspension of neoliberal injustice to benefit the dispossessed and the disadvantaged. But rather than mistaking for justice the "good feeling" (Ahmed, 2004, p. 202) that is triggered when globalization's losers very occasionally become winners within the course of gambling play, I am thinking of something different. Those happy occasions when gamblers defy the probabilities and realize the remote possibility of winning might serve to remind us of the contingency of the regime of power within which poker machines are currently operated. As such, they evoke possibilities for playing with these machines, and the laws that govern them and their consumers, which might facilitate better outcomes for subjects in a state. The question then becomes not whether pokies are good or bad for us but rather: can we imagine ways of owning, playing, and regulating these machines that are less socially destructive and more supportive of the diversity in gambling cultures and of the social justice claims of Indigenous communities in Australia?

### ACKNOWLEDGMENTS

Parts of this chapter have been adapted from the following article: (2008). The problematic joys of gambling: Subjects in a state. *New Formations*, 63, 101–118.

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