Abstract

1 (Serious) games and social media

One can distinguish two major game types in the context of economics. One type arises from the motivation to enhance the study of ”real” economical processes, the other type uses “invented” economical processes. With a game a real economic scenario can only be approximated, however the basic motivation for the first type of games is to get a better understanding for real processes and examples may range from kids playing ”store” to online broker games. The main goal for the second type of game is to play or simulate ”invented” economic scenarios. Examples are classic board games like Monopoly or the Landlord’s game, in those games the study of real economics is rather limited - that is the emphasis in those games lies on playing with toy-like or “invented” economies. In most games the distinction between “real” and ”invented” is rather blurry, it is however interesting to investigate games with respect to these aspects.

In particular it is interesting to look at games where the game rules are reaching into the real world, like this is the case in betting games, because in some sense these games may provide “alternatives” for real life features. In those games economical scenarios (here seen as rather complicated rules, which mimick an economic process) or just simple (game) rules are used to have a real (economic) impact. In particular in most of these games the aspect to use ”invented” economic rules which differ from real life (economic) rules is important. So these games allow to deviate from “real life rules”. A famous ancient example is already the board game Patolli, which is a kind of backgammon game, but where the betting on a result and the inclusion of ”real values” was a crucial feature (see e.g. the website of the University of Veracruz pat). In short with these kinds of games an “invented reality” takes place, let’s call games of this type invented reality game (IRG).
In the sequel an emphasis will be put on the investigation of games which make use of "invented" economic rules. Furthermore a focus will be put on games which use information technology, like computer and video games.

A socalled serious game is usually a computer or video game, whose purpose is not pure entertainment but rather the training of skills, the mediation of information (like in advergames), the learning/role-playing of possible scenarios, psychological encounters etc.

Serious games - especially in the educational sector were used since the onset of computer/video games but their possible impact for society has rather been realized in the last fifteen years. Initiatives like e.g. the serious games initiative emerged. From the Serious Games Initiatives website: "The goal of the initiative is to help usher in a new series of policy education, exploration, and management tools utilizing state of the art computer game designs, technologies, and development skills."

The amount of serious games is meanwhile big enough so that the information about serious games is sought to be collected in an collaborative effort at the site Serious Games Classification.

Last but not least the newly established GaLA games and learning alliance which is a Network of Excellence (funded by the European Union in FP7) on Technology enhanced learning and Serious Games which started only in Oct 2010 (it will last 4 Years) displays a strong public interest in this rather new topic.

Moreover serious games are increasingly appearing in connection with social media. Wellknown examples are of course advergames, i.e. games in advertising which can meanwhile be called a standard part of marketing. A famous example is the game "I love bees" which was part of the viral marketing campaign of the Xbox video game "Halo 2". In general it seems that video game developers are orienting themselves more and more towards social media, cross media and cross-platform applications, see e.g. the game "assassins creed", which exists on video game platforms like the Playstation or Nintendo DS, but also as a Facebook game and as a game for mobile phones. Assassins Creed is apriori a single player game however the variant Assassins Creed II multi is a multiplayer game. Jade Raymond of Ubisoft states in an interview: "...that whole arena of social, obviously since it's a hot topic now, is going to get a lot more crowded."

A particular branch of serious games are "business simulation games" or "economic simulation games". These are games that utilize game methodologies to simulate and investigate in particular economic processes. Usually these processes appear mainly in business' thus "business simulation games" include simulations of management tasks, role-based decision making etc. The International Simulation and Gaming Association hosts a lists of links to international associations which foster Simulation games and in particular business simulation games.

Another line of serious and economically oriented games, which can partly be seen as economic simulation games are games which appear in the context of the simulation of policy making issues, social role formation and overall societal challenges like climate change, poverty etc. Notable is here the "Games for Change Initiative" which is according to their website: "Founded in 2004, Games for Change is the leading global advocate for supporting and making
games for social impact.” Thus the listed games on the games-for-change website 
include business simulation games but usually only in a broader societal context. As an example in the game "Oligarchy" the player can: ".... be the 
protagonist of the petroleum era: explore and drill around the world, corrupt politicians, stop alternative energies and increase the oil addiction. Be sure to 
have fun before the resources begin to deplete.”

So-called alternate reality games (ARG) are software- and usually internet-mediated games that include the real world into the game. Usually in these 
games a narrative is used as a partial replacement for game rules, moreover the game-play is mostly controlled by real persons rather than by software. So an 
alternate reality game (ARG) is a kind of invented reality game.

A combination of alternate reality games with "games-for-change" can be 
seen e.g. in the game “Evoke”. The Worldbank who coinitiated the game writes on their blog: "Evoke therefore is designed to empower young people all 
over the world, and especially in Africa, to start solving urgent social problems like hunger, poverty, disease, conflict, climate change, sustainable energy, health care, education, and human rights.; to collaborate with others globally; and to 
develop real world ideas to address these challenges” [Evo].

Flashmobs or social media sites with a rather strong gamelike component like sites where people have to solve "challenges", “group together” etc. are 
carrying characteristics of an invented reality game. Here certain invented rules (like e.g. for a flashmob a rule could include to dress in a specific way) are having 
a real life impact. In particular it can be said that the border between some of these games and real-money business is blurry. That is not only "shadow-
economies" like virtual economies in massive multiplayer online role-playing 
environments/games (MMPORGs), but also social media sites like the crowd-funding site kickstarter.com [kic], where the emotional appeal plays an enormous 
role carry a direct game(-like) component and are thus somewhat constituting an “invented reality”. On the other hand this goes along with the simplified 
societal image of real-life traders being “gamblers”.

Although the border between “invented reality” and “reality” is blurry it is to some extend possible to identify distinguishing characteristics of the rules which govern a real or “invented real” process and thus the features of an Those include the characteristics:

SOCIETAL - “real” rules are usually prone to a historic and/or societal process that is they emerge more or less slowly given the societal circumstances
ADAPTED - “real” rules are rather incremental, that is they are adjusted in an adaptive way (expection: revoulutions)
DEMOCRATIC - “real” rules have often been made/approved by a bigger 
group of people rather then only by a few individuals. (expection: dictatorships)
In an “invented reality” rather the opposite characteristics hold, that is in an “invented reality” rules are set or imposed by a few individuals (like individuals who decide to play or set a game), the rules usually do not emerge out of societal processes. Moreover the rules may be adjusted (like e.g. by a game master) but this doesn’t need to be adaptive.
3  economic and political failures

3.1  Intro
Article 22 of the The Universal Declaration of Human Rights from 1948 states:

Everyone, as a member of society, has the right to social security and is entitled to realization, through national effort and international co-operation and in accordance with the organization and resources of each State, of the economic, social and cultural rights indispensable for his dignity and the free development of his personality.

However as everyone knows the political and economical structures of the world have failed to grant everyone a realization of the right as stated in Article 22.

In their report “The State of Food Insecurity in the World, 2010” the Food and Agriculture Organization of the United Nations (FAO) writes:

However, a total of 925 million people are still estimated to be undernourished in 2010, representing almost 16 percent of the population of developing countries. The fact that nearly a billion people remain hungry even after the recent food and financial crises have largely passed indicates a deeper structural problem that gravely threatens the ability to achieve internationally agreed goals on hunger reduction: the first Millennium Development Goal (MDG) and the 1996 World Food Summit goal. It is also evident that economic growth, while essential, will not be sufficient in itself to eliminate hunger within an acceptable period of time.

This problem is of course not new and yet it is still strongly debated what to do about it. In fact various social-economic movements and social, political, economic and technological installments throughout history had tried to change the given structures, with only partial success.

Despite scientific innovation the problems seem to be unsurmountable.

Positive achievements of technological improvements like in health and infrastructure are easily thrown back like by changes in the political landscape and/or a crisis in the economical sector. Both components are often not independent. Political circumstances may have an influence on the given economic situation. Likewise an economical crisis may in particular eventually damage existing political structures:

The long-term economic, social and political consequences of the economic crisis on developing and transformation countries are very difficult to predict. A great deal will depend not only on the duration of the crisis, but also on the varying extent to which individual states are affected. Ultimately, these two variables will prove crucial in determining whether the external shock precipitated by the global recession develops into a systemic threat for individual governments and undermines the legitimacy upon which they are built. (Transformation Index 2010 [BTI])
3.2 Economic growth and social conditions

The introduction of this section mentioned report of the FAO indicated that even a positive economic development which manifests itself in economic growth may not be sufficient to overcome the social problems. But even more contrary to common belief are the findings that it may be that economic growth is not even a key component to social improvements:

One of the most surprising results of human development research in recent years, confirmed in this Report, is the lack of a significant correlation between economic growth and improvements in health and education. Our research shows that this relationship is particularly weak at low and medium levels of the HDI.

For the time being let’s leave these new empirical results without further discussion and look at other societal components which are concerned with economic growth.

An economic measure for satisfaction is the notion of utility:

*Utility is taken to be correlative to Desire or Want. It has been already argued that desires cannot be measured directly, but only indirectly by the outward phenomena to which they give rise: and that in those cases with which economics is chiefly concerned the measure is found in the price which a person is willing to pay for the fulfillment or satisfaction of his desire.*

Following Marshall’s argumentation that a measure for desire or want/need is the price a person is willing to pay for satisfaction it is thus an interesting question in which sense a greater demand for goods and wealth can be seen as an indication for non-happiness. In particular the role of “price” is here interesting. That is if one would regard “price” in pure monetary terms then the needs or desires of rich people (who are able but not obliged to pay high monetary prices) could be way greater than the ones of poor people.

In this context it is also instructive to look at quantifications of satisfaction. In the details to a chart where Gallup World Poll data for mean life satisfaction is plotted versus GDP per capita in 2003,2000 the author writes:

…*it is not true that there is some critical level of GDP per capita above which income has no further effect on life satisfaction. Instead, each doubling of income adds about the same amount to life satisfaction, across poor and rich countries alike.*

This means roughly speaking that even rich people seem still try to get happier, but that for the *same amount of additional happiness a rich person has to make use of way more money than a poor person.*

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1 I.e. the author says that the curve is approximately given by the function \( f(x) = x_0 \log_2 x \), where \( x_0 \) is a constant amount to be determined from the diagram. Something similar like this was actually already predicted by Nicolaus Bernoulli “utility resulting from any small increase in wealth will be inversely proportionate to the quantity of goods previously possessed.”

\( \Rightarrow \) i.e. if utility is interpreted as satisfaction he said that the derivative of satisfaction as a function of wealth is 1/wealth, i.e. satisfaction as a function of wealth behaves like a logarithm.
It is already at this short discussion visible that apart from other factors psychological indications may play a crucial role in the difficult assessment on how economical growth and wealth influence social conditions.

This will be further investigated later on.

A useful resource for the discussion of progress and well-being - especially in the economical context - is the project Progress of Societies and its Internet Platform Wikiprogress.

3.3 Economic growth and labour

In that subsection it will be briefly investigated in what way economic growth is connected with the labour market. An initial discussion on that issue, which enters this article was given at a blogpost written by the author at .

In that blog post consequences of that investigation were outlined, they will be discussed later on.

The probably currently most exhaustive collection on labour statistics is the Database on labour statistics (Laborsta) of the International Labour Organization (ILO). In particular the so-called Key Indicator of the Labour Market (KILM) Labosta provides a tool for assessing the data they gather. This tool is still in development though. Let denote the (percentage) growth in employment in a year, and the growth of GDP (Gross Domestic Product) in a year as defined by ILO, then following the verbal explanations in the document “8. Employment elasticities indicator (KILM 19)” page 5, table 19b: The elasticity seems to be given by

\[
\frac{\text{Lgrowth(year)}}{\text{GDPgrowth(year)}}
\]

where probably

\[
\text{GDPgrowth(year)} = \frac{\text{GDP(year)} - \text{GDP(year - 1)}}{\text{GDP(year - 1)}}, \quad (1)
\]

analogously for employment. On page 5, table 19b the worldwide elasticity is since 1992 at about 0.3 with even a slight trend of decline (see text to the table). That means that on average the growth in employment is about one third smaller than economic growth. For East Asia the elasticity is even only 0.1. That means while East Asia had a GDP growth of about 8-9% the growth in labor was only 0.8-0.9%.

One can see this trend also if one compares the productivity increase at KILM. Following KILM, for Germany alone the GDP per hour worked was raising from 102.0 in 1992, 112% in 1996 points to 133.0 points in 2008. This means that economic value is going way less into labour development than into other sectors. Moreover given the above data it is to be expected that with no or a very small economic growth the job sector would even be in decline (negative elasticity). Unfortunately the KILM doesn’t yet provide elasticities for all countries, so the author couldn’t confirm this claim.

The author is currently trying to get that formula confirmed. The above formula is an approximation to a smooth curve, the KILM may have used a slightly different formula.
For a mathematical less interested audience let’s make a small example which gives a very simplified and partial comparison what exponential growth means here. Lets assume for simplicity that wages were constant in the labour market, so that the value of the labour market was mainly adjusted by its size. Assume a very rich person quadruples his income every year (i.e. multiply with 4) then

\[
IncomeGrowthRich(year) = \frac{Income(year) - Income(year - 1)}{Income(year - 1)} = \frac{4 \cdot Income(year - 1) - Income(year - 1)}{Income(year - 1)} = 3
\]

(compare with the formula for the GDPgrowth). Assume that the rich man doubles the wage of his house maid

\[
IncomeGrowthMaid(year) = \frac{Income(year) - Income(year - 1)}{Income(year - 1)} = \frac{2 \cdot Income(year - 1) - Income(year - 1)}{Income(year - 1)} = 1
\]

so that the ratio of IncomeGrowthMaid versus IncomeGrowthRich is 1/3 \(\simeq\) 0.3 (which is about the average number given by KILM for the global elasticity). Assume that the rich man doubles the wage of his house maid

Then the above computation should illustrate that the gap between the income of the maid and the income of the rich person will get incredibly bigger and bigger.

If one has an increase in wages then the value of the labour market increases likewise (and the gap would accordingly grow less fast than in the above computation) however wages in the manufacturing sector raise partially if at all only moderately. Unfortunately the KILM has not yet an automated world index, so let’s look at the example at Germany. The real manufacturing wage index was in Germany in 1996 at 97.6 points in 2006 at 100.7 points. The biggest wage jump of 1.5 points was between the years 2002/2003 which gives a growth of 1.5/100.2 \(\simeq\) 0.015 which is 1.5 % in those years, in some other years there was however even a decline in wage, despite the above mentioned giant increase in productivity. Likewise the employment ratio stayed about constant (Germany, 1992: 55.0 %, 2008: 55.3). As a comparison: in China the biggest wage jump was between 2006/2007. The index was in 2006 at 189.2 points and in 2007 at 209.8 points, which gives 20.6/189.2 \(\simeq\) 0.11, i.e. about 11 %, however on average the wages in the years before that grew rather by 6 % on average. (date of inquiry: 23.3.2011)

It would be interesting to assess where the more produced wealth went to. As pointed out above - the social conditions, like health and educational conditions are not necessarily improved with economic growth. One can guess that at least in part a share of that wealth went into “machines”, i.e. tools which enhanced eventually productivity.

\[\text{Note that the actual growth of GDP is of course rather 3\% than 3, so instead of 1 year it would take rather about 46 years (artifacts of the approximation bluntly taken aside) to quadruple the GDP, i.e. 46 \simeq\ln\frac{4}{0.03} (likewise the labour will grow at a factor exp 0.01 \cdot 46 \simeq 1.6 \simeq 2 in 46 years), however the principal arguments stay the same and may appear clearer in this scale. People are often scared by percentages.}\]
3.4 Economic growth and limitations

A well-known problem with economic growth is that in a rather close future the limitations of this planet will have concrete impacts on economic growth. Peak Oil, Peak uranium, Peak phosphorous are just some catchwords which sketch the upcoming limitations. Up to this moment it is very unlikely that in an intermediate future space travel and the discovery of new resources in new worlds would be a possible option to overcome the planets limitations. Thus scientific innovation can rather only postpone and mitigate the effects of scarcer and scarcer resources.

A scientific countermeasure to greatly slow down the depletion of resources is of course recycling. However any physical process - and recycling is a process - needs energy. This is a physical law. Thus the amount of energy which is e.g. needed to decompose a product back into its constituents is an indicator for its recyclability. The easier a product can be decomposed (and this is often a question of design) the better its recyclability. There may though be products, where the needed energy for recycling greatly exceeds the possible merits from recycling, there may be products where aspects of safety or demand (like for medication) are more important than recyclability, the recycling process may include risky technologies etc. in other words recyclability has to be balanced against these technological considerations. Recycling can be seen as a component of reuse. For reuse a product may be used again in a different context, i.e. reused. This includes often a “recycling component” like for the case of repair. A repair makes an unusable product usable by partial recycling and inclusion of new components. The border between recycling and reuse is often blurry, like if a product is not fully decomposed, but rather decomposed into highly integrated parts (like this is often the case for car parts) then the integrated parts are reused, however since the product itself had been rather disintegrated or decomposed into integrated parts some would probably also like to talk about recycling in this case. For a better analysis of the involved processes it is however useful to be able to distinguish between reuse and recycling. That is for recycling usually a higher degree of disintegration and reprocessing is assumed. Reuse and Recycling are parts of the socalled Waste hierarchy, which is e.g. known by the slogan: Reduce, reuse, recycle. They are in particular parts of the European Waste Framework Directive \[\text{Was}\]

Conclusion: technological limitations to recycling are mostly set by the technological feasibility of the recycling process and above all by energy demand.

Economical considerations play and will play a role in the question of how much recycling does and will take place. A very wellknown example for the problems of recyclability can be seen in greenhouse gases like in \(CO_2\). Here \(CO_2\) is produced rather as a byproduct of industrial processes than as a product in the traditional sense, but the question of reuse and recyclability is the same as for “products”.

In particular the demand for recycling has to be balanced against the costs which arise due to the technological feasibility and energy demands. As a consequence:
If depletion is cheaper than these costs then in a (free) market economy recycling will generically not take place (A closer investigation of the basic economic mechanisms for that can be found in the essay Green Cherry-Picking: the Limits of Sustainability [Kut10b ⇔].

As a consequence recycling is often only taking place in a (free) market economy if there are political counter-actions or if material resources are already quite depleted, like this is taking place in urban mining (see e.g. the article [Huf10 ⇔], which is about how rare earth metals are recycled from electronic waste and that scarcity leads already to political discontentment).

For the case of reuse, eventual partial recycling costs need to be taken into consideration, but apart from this the attractiveness and price of a new product vs. the old product and the logistical component will play a major role. If a new product appears to be much more attractive and the price is about the same then reusing will take place less likely. Here again psychology and especially branding plays an important role. Furthermore the less standard the reused parts of a product are the more the logistical aspect will play a role. Like a repair makes only sense if the costs of getting extra parts is not too high. International standards are thus important. Likewise the probability to find a new user for a freaky styled furniture is smaller than for a rather standard matter-of-fact counterpart, so in this example the logistical task of (re)-distribution is key. In general it is usually cheaper to transport a large amount of the same product on a well frequented path to one point (like a department store) than the same amount but with different products to a lot of different end users. In a (free) market economy with a considerable market size the logistical infrastructure is thus less likely to be adapted to a refined (re) distribution. Amongst others for reuse often labour costs are important etc. In short - alone by these examples it is visible that market mechanisms may diminish reuse.

Although the above mentioned principle mechanisms at work are rather evident, there is still a lot of discussion about the issue of free market and market regulations. That is there seem to be even incoherent views on what may constitute a market regulation, like for example it is perceived in some economical reasonings that e.g. opening borders (which apriori means there is more global free market, which appears rather to be a feature of deregulation) may constitute a “political regulation”, because it may affect the respective national free market economy in a negative way. In part these discussions are due to the fact that elder economical reasoning had to be based on a global market which was way less permeable and environmentally more robust. The interconnectedness of the planet with regard to its ressources and environment, the rapid expansion of speeding trade are relatively new features. Likewise it is often difficult to establish, which political regulation will have what effects. However there are already quite established guidelines. Like in 2011, the OECD will deliver a so-called “Green Growth Strategy”, which is “providing a host of policy recommendations that can help governments green their economies.” [Gir ⇔], the UNEP just published its green economy report [UNEP ⇔] and there are institutes like the Global Green Growth Institute [GGG ⇔] which offer information on political directions towards more sustainability.
But let’s look again at the example of CO$_2$ and the conclusion that recycling is usually only taking place in a (free) market economy if there are political counteractions or if material resources are already quite depleted: it is clear that the resource “carbon” or “oxygen” isn’t yet scarce enough so that the CO$_2$ in the air of our planet would be recycled based on pure market demand. Hence in a (free) market economy “recycling” of CO$_2$ doesn’t take place. Due to climate change it is however known that CO$_2$ has either to be recycled (this holds somewhat in the long term also for carbon sequestration), reused and/or that its production has to be diminished\footnote{The author is aware of the fact that there are still debates about climate change and its consequences, however the reader is kindly asked to read further also if there is disagreement about this point}. In principle there are some possibilities to “reuse” CO$_2$ like for the case of biofuel production (e.g. with genetically modified blue algae) hence here the logistical aspect and its economic context will play an important role (thus in some cases it may even be cheaper to produce CO$_2$ than to use the byproduct CO$_2$ from energy production). Up to now the reuse options of CO$_2$ are still very small in size and it is not clear how big the market for this kind of CO$_2$ reuse can grow. Here investments in research are again important, moreover there may be other limitations, like for the case of blue algae e.g. area need plays a role, eventually toxins etc.

As a consequence the reuse/recycling costs or the additional costs of not producing the “byproduct” CO$_2$ have to be currently included into economy via political counter-actions, like by laws or cap-and-trade etc. There is basically almost no (free) market mechanism, which would encourage the “recycling” or “reuse” of CO$_2$.

3.5 energy demand and consequences

The above subsection dealt with the fact that the more the material resources are going to be depleted the higher the energy demand for recycling and/or reuse will be. At the same time due to climate change and other environmental concerns the percentage of recycling/reuse needs of energy production itself (like for the CO$_2$ byproducts) may rise. One can call this a recycling-run-away-effect. Moreover this increased energy need goes along with a rising energy demand by a growing population and higher civilization standards.

Current calculations of energy demands and possible energy mix scenarios are usually based on nowadays costs and average needs. If at all, then they often take the above described recycling-run-away-effect only partially into account (like by considering climate change costs). Where it has to be said that there are rather few concrete scientific calculations and models about the rising energy demands and mixes and that these models are rather in development. It is however already in these “simplified” calculations visible that the current energy production has to be largely extended. For example a scenario which assumes an increase of globally averaged GDP per capita by 1.4 % (i.e. 1.4 % economic growth) and assumes that the averaged energy intensity $E/GDP$\footnote{$E$ is the socalled energy consumption rate, i.e. it is the averaged energy consumption per year} decreases (due to improvements in technology) comes to the conclusion that the world energy consumption rate is projected to double from 13.5 TW in 2001 to 27
However if recycling costs are taken into account then the averaged energy intensity may eventually even rise and thus - if economic growth is assumed to be the same - lead to an even gloomier prognosis.

As a result quite a lot of energy mix studies see e.g. the implementation of nuclear (fission) energy production as inevitable (Nuclear fusion is still in a research state). Unfortunately in that context a broad negligence about the possible costs and risks of in particular future nuclear (fission) technology takes place. Mostly due to peak-uranium future nuclear fission technology will use very different technology (notably breeders). However the fact that some reactor technology of breeders is way more risky than most of nowadays reactor technology is not the central concern here - the major problem may be the waste problem.

Up to now the nuclear waste problem has not yet reached an analogous visibility (and impact) like it is for example the case for green-houses gases. However it is to be expected that for nuclear fission the same mechanisms as already described above for the case for the byproduct CO₂ (will) take place. That is the recycling or diminishment of waste byproducts from nuclear (fission) energy production (here a simple reuse is usually not possible and recycling of waste is often only possible to a certain extend) will not automatically take place in a (free) market economy if resources are abundant. However resources from nuclear breeders can be seen as abundant on an intermediate time-scale. That is e.g. Uranium 238 and Thorium are largely available and apart from extracting the bred fuel often not much further re-processing takes place. So one can observe again that as for the case of CO₂ - there are basically no (free) market mechanisms, which will take care for the recycling or diminishment of nuclear energy waste. It should be clear that nuclear waste is already now an environmental problem but the future nuclear waste (especially the one from breeders) may pose not only by its sheer amount, but also in part by its new physical properties a very drastic environmental threat. At the case of CO₂ (and at the case of nuclear waste itself) it has however become clear how difficult it is to invigorate political actions which adress this growing waste problem.

On the other hand solar energy, which has among the renewable energies may be the greatest expansion potential and which has a relatively small waste problem (especially in comparision to nuclear energy) is seen by proponents of nuclear energy as no realistic substitute for fossil and nuclear fuels, while environmentalist see solar energy as an easy and sufficient alternative. Let’s look a bit at the facts.

Apriori the energy which is transported from the sun to the earth is not only enough to satisfy our nowadays energy needs but could provide a lot more. However this energy has to be captured and converted into electrical energy.

The area of the deserts is according to the White Book by Desertec 36·10^{12} m^2 the average power received per square metre in deserts is according to the White Book 260W/m^2 which gives in a year an energy of 36·10^{12}·.

\[ \text{Again, the reader is kindly asked to read further also if disagreeing} \]
\[ ^7 \text{as a comparision in northern european areas solar power per area is only about 100W/m}^2 \]
$260 \text{W} \cdot 8760 \text{h} \cdot 82 \cdot 10^9 \cdot 10^{12} \text{Wh} = 82 \text{ million Twh}$. The fossil and nuclear energy consumption in 2005 was according to the white book $107 \cdot 10^3 \text{TWh}$, so the energy arriving in a year in the world’s desert is approx. 750 times more than the fossil and nuclear energy needed in 2005. Currently the conversion efficiency from solar energy to electricity from mass produced photovoltaic energy is about 15-20 %. Let’s be pessimistic and assume an efficiency of 10 % then filling the deserts with photovoltaic elements would still give 75 times more electric energy than from the fossil and nuclear fuels in 2005. However it is clear that filling alone 10 % of the deserts with solar energy conversion systems is a giant technological and economical task, but still - it leaves us with 7.5 times more energy than from the fossil and nuclear fuels in 2005. And even if energy demand doubles by 2050 this still leaves us with 3.75 times more energy then from the fossil and nuclear fuels a.s.o. Moreover the principle efficiency of photovoltaic solar cells can be largely improved. Currently an efficiency of 35.8 % for photovoltaic conversion $\text{SoV}$ can be achieved. Conversion from solar thermal energy may currently reach an efficiency of 31.25 % $\text{SoT}$. These rough calculations display that in principle $10/3 \% = 3.33 \%$ of the deserts area would in principle suffice (in fact by the calculations one would have 3.75 times more) for replacing the fossil and nuclear fuels of the world by solar energy until 2050.

However one has to keep in mind that also here there may be limitations in terms of the materials needed for conversion, also with regard to waste. Moreover high efficiencies are currently very expensive. Technological undertakings which try to harvest solar energy from space are still in their infancy state and even more costly with regard to other energy production methods. But still - the current existing technology can be improved, also beyond the above efficiencies. However as long as other energy production means are cheaper there exists no (free) market mechanism which encourages investments in research and development.

### 3.6 Conclusion

The reasonings in this section were intended to display that the paradigm of economic growth has to be put under strong scrutiny, there are indications that economic growth may not be sufficient and may not be always necessary for a happier, socially balanced planet. Moreover economic growth fuels energy and material ressource needs, which may drive the planet to its boundaries. Especially energy generation from fossil and nuclear fuels pose a very drastic environmental threat. With a free market economy there exist basically almost no countermeasures to adress this problem. However alone solar energy could e.g. make the replacement of fossil and nuclear fuels possible if the economical and political measures are going to be changed. Unfortunately the implementation of political regulations is not always desired, the specific political countermeasures may be inappropriate and/or too weak etc.

In particular it is thus to be asked whether the basic economical structures could be changed, while keeping the political measures in mind.
4 Economical scenarios in games

The ball went long around the wheel, finally it sprang along the spikes. The old lady froze and pressed my hand and then suddenly - bing!
Zéro – proclaimed the croupier.

(From “The gambler”, Chapter X, F. Dostoyevski 1866 [Dos66] ⇔

4.1 why games?

As pointed out earlier the tradition for using games to mimick/understand/invent etc. (economic) realities goes more or less back to ancient times. However also the use of games for an analytical understanding of e.g. economical or political structures has a rather long tradition.

The reason for this lies in the fact that the rules of a game can be usually reformulated in terms of mathematics, i.e. here the rules are in some sense a mathematical feature. Thus games may combine psychological aspects with mathematical rules. So for example a purely probabilistic game like roulette is mathematically more or less just a probability distribution. However the tangible and cultural aspects of the game (“the rolling ball”, the french commands, the glamorous casinos etc.) add a highly psychological component to the game.

In fact lucky games and betting seemed to have been at the origin of probability theory:

Indian mathematical texts ought to yield a rich reward to the student of probability. They have not yet been investigated with this view in end and it is unclear what will turn up. Take for example the mathematician Mahaviracarya, whom his translator M. Rangacarya (1912 p.x.) dates about the end of the ninth century A.D. Here we find a use of what modern probabilists call a “Dutch book”. That is a merchant “secretly” bets with two different agents at discrepant odds, in such a way that no matter what actually happens, the merchant is guaranteed a profit [ibid. pp. 162-3] from Ian Hacking, “The emergence of probability” (1975) [Hac75]

So the mathematical reformulation of the rules of betting games etc. led to the development of a whole branch of mathematics, called probability theory. Likewise the mathematical branch of game theory is motivated by games. (Even the game “Poker” got a mathematical treatment (see e.g. [Fri71])).

Graphics and Physics engines in computer games use a lot of mathematics. Likewise complex behaviour within games is meanwhile covered by quite a lot of commercially available customizable AI middleware etc. Here the mathematical content is rather used in order to model real life physical features like movements of persons etc. Thus the interaction of a user with this mathematical content is here an interaction of the user with a mathematical toy model for a certain real life “system” (like e.g. a virtual character).
In some games the interaction itself could be rather “mathematical”. In particular “playing around” with parameters as in a simulation as World2/3 (the computer program which was used for a Club of Rome study [MMJ] - here a link [Han09] to an applet) could already be seen as a kind of “game.” In the game Okolopoli from 1980 [Ves80] the “playing around with parameters” of an ecological toy model was even implemented into a board game. The models which are used in World3 and Okolopoli are rather ad hoc assumptions about real processes than very precise models for real phenomena, even the game “Climate Challenge” by the BBC only partially uses models which are belonging to scientific simulations of realistic scenarios. [Cli07]. Thus also these models are more or less unrealistic “toy models”. However it is clear that the proximity to real phenomena can be closer. Just as the simulation of persons within computer games evolved from 8-bit pixel characters to carefully rendered 3d implementations, the simulation of other real life systems, like e.g. climate, economical systems can be improved.

Let’s thus look again a bit on games and economy and in particular on possibly available “economic toy models”. The science of economics (and also in part social science) uses mathematical formulations. A famous mathematical treatment which even gives in part a mathematical approach to psychological factors is for example the notion of moral expectation:

*If the utility of each possible profit expectation is multiplied by the number of ways in which it can occur, and we then divide the sum of these products by the total number of possible cases, a mean utility [moral expectation] will be obtained, and the profit which corresponds to this utility will equal the value of the risk in question.* From Daniel Bernoulli “Exposition of a new theory on the measurement of risk” (1738) [Ber38].

Those 18th century ideas had been further developed in particular the idea of a “rational agent” i.e. the idea that the actions and in particular the choices of a “rational” intelligent entity can be quantified and used as a toy model for describing real economic features pertaining to the scientific treatment of economy.

But it is of course very difficult to find mathematical entities which describe real phenomena in a way that they may eventually be used to make predictions etc. In particular it is sometimes even not clear which mathematical entities should be used. For example for the above notion of utility it was assumed that utility (or lets say satisfaction) can be described by a number. So in particular one is able to say that one utility (or satisfaction) is bigger than another utility. It should however be said that e.g. satisfaction could not only be more or less but also rest longer, be less harmful to others etc. This can make things very complicated. But what if one at least starts with the assumption that one can judge whether a utility can be **ordered** with respect to some unknown criteria? Like a utility could “feel better” or “feel less better” than another etc. What is, if one assumes that utility can be ordered without already assuming that one can assign a value to it and especially without assuming that one has a value for the distance between the utilities? This was e.g. done by John von Neumann and Oskar Morgenstern in their book [vNM44]. Here utility was defined as
an purely abstract entity, i.e. as “something”. However this “something” had to obey a set of rules for combining and ordering, which were formulated as a set of axioms by von Neumann and Morgenstern. These rules can be seen as a kind of “game rules”. Von Neumann and Morgenstern could however show that alone by their choice of rather few abstract rules one could always assign a value (a number) to that per se unknown entity and that this assignment was rather rigid. In other words von Neumann and Morgenstern displayed that if one has an entity and an assignment which obeys certain rules in a certain way then this entity “is” more or less the same as a well-known mathematical entity namely “a number”. This displays rather strongly how (game) rules and mathematical entities may go together.

As already said the rules which were used by von Neumann and Morgenstern made some implicit assumptions about utility (like utilities can be ordered) which were rather general, but still restrictive enough so that utility could almost be seen as being quantifiable as a number. Likewise it is often assumed that utility can be quantified by a number, (see e.g. the above mentioned Gallup poll). This number may however e.g. depend on outcomes and/or on the weighing of how people perceive outcomes like in prospect theory to account e.g. for loss aversion etc.

The above should have made clearer that especially the (mathematical) interpretation of psychological phenomena may play a big and difficult role in economics. The inclusion of psychological factors into the science of economics is thus for example a key component in behavioural economics and finance. It plays an especially strong role in those parts of economics, where humans have to evaluate situations/phenomena and have to make decisions.

In some simplified sense one can see (global) economy as a game with a vast and complicated set of rules, which are only in part mathematically graspable (like e.g. the rules of bargaining on an oriental market). It is however usually not perceived as a “game” but as a real life system. The reasons for that are amongst others that most economic rules evolved slowly in adaption to historical and political processes etc. Thus these rules are considered to be rather not the rules of an invented reality game.

But in the turn even the outcome of a game in the traditional sense of “game” can already be rather unpredictable. Thus for the design of a massive role playing computer game risk management test series for various preferences are sometimes run. In Carpenter writes:

“Just as the petroleum industry might try to predict future utilization of fixed assets, a game developer might attempt to predict future results of a given game situation.”

However amongst others limitations are again set by psychological unknowns:

“Unfortunately, the use of spreadsheet models and the @Risk add-in does not guarantee balance in a game. Player interaction models are simply a method by which real game results can be predicted. It’s up to the designer to analyze the simulation results and determine whether they are acceptable. As previously mentioned, a simulation’s results are only as good as the model that produced it. The two main drawbacks of spreadsheet models are:”
1. The modeler’s familiarity with player tendencies and play patterns
2. The inclusion of incorrect inputs and assumption in a model

The investigation of psychological traits (usually in combination with social statistics etc.) is a standard component of e.g. customer relationship management and marketing, reaching from online survey tools (see e.g. [Onl]) to loyalty card programmes. Typical (customer) preferences play also a role in games however here the responsive behaviour to typical game traits like social behaviour, risk taking etc. may rather be special. Human behaviour and emotions in and for games is thus the subject of intensive studies.

Eventually more to be included see blogpost [Kut10c]

Due to the rather new possibilities of “managing” behavioural patterns within and with games those are increasingly used for assessing customer and human behaviour. The already mentioned advergames are here a very explicit example for the use of games for marketing purposes. What is important to note is that here the above mentioned “familiarity with player tendencies and play patterns” may be assessed via gaming. Thus even businesses in risk management perform investigations into behavioural patterns. So for example the risk management company Aujas [Auj] created the business simulation game “Take charge” where “risk management abilities are evaluated.”

Concluding: Games may be almost as complex as real systems - at least they are so complex that sometimes they are needed to be analyzed in the same way as real systems. Moreover games can be used to find a direct approach to the complex psychological traits of humans. They seem thus to be mature enough to provide a testbed for more complex “invented realities”.

4.2 the game environment MMOGEP

In [Kut08] it was suggested to use game-like structures which are connected to a global scientific internet platform for addressing the problem of assigning values in an economy. In 2009 at the blogpost [Kut09] it was suggested to use massive multiplayer online games (MMOGs) or massive multiplayer online role-playing games (MMPORGS), respectively for testing toy economies. Together with that proposal a suggestion for a concrete game was made in that blogpost. This game will be discussed later. Let’s first look at the infrastructure needed for using MMOGs especially with regard to their connection to a scientific internet platform.

If multiple “toy economy” projects are to be studied in MMOGs then the corresponding MMOGS have to be embedded into a game environment. Such a game environment shall be given the working title MMOGEP (Massive Multiplayer Online Games as Economic and Political toy models). For the purpose of simulating global economical and political systems via games the principal environment has to be flexible enough. It has to be assessed to which extend existing game engines could be used. Eventually a combination of MMO middleware and customized software would be appropriate. Massively multiplayer online games (MMOGs) are technically already rather complex. The need to assess and adapt game rules may eventually make extra efforts necessary.

In particular the discussion of scientific findings within a MMOG game or within an MMOG game-like economic set-up make the intensive use of a collection of collaborative networking tools necessary. That is the information from
a game project has to be gathered, assessed, discussed, analysed etc. and presented within the game network itself and for a possible “audience” (a kind of more or less passive type of participant).

The game environment needs to incorporate various projects at the same time, at multiple locations and for various types of participants. The scientific character of a project like MMOGEP would make a high connectedness to scientific workplaces like universities and research institutions necessary.

In 2008 possible gains of connecting the scientific community in a semantically coherent way were indicated in [Kut08]|Kut08|. In particular it was argued that the current stage of global scientific data access, storage, processing and distribution, especially with respect to a public visibility, could be improved. Since 2008 networking tools have improved. Universities expanded their services. New tools and networking sites, which adress the scientific community emerged. However the main scopes of the proposal have yet not been fully adressed. So for example social networks for scientists are usually connecting researchers within the network(s). They are mostly intended for enhancing the scientific workplace, rather then for communicating with a public audience. Moreover providers of social networks for scientists are often companies, which host the data of the corresponding researchers. Privacy and data security of social networks are increasingly becoming a concern. In particular the availability of the researchers data depend on the resources of the company/organisation. Consequently there are currently tendencies to look for options of social networking where the control of user data is more in the hand of the user like e.g. in the project [Dia10]|Dia10|. The flexibility within such scientific networks depends on the flexibility of the corresponding company/organisation to incorporate new features, i.e. the user has usually a rather restricted freedom of design. Likewise tools as well as networking features of a private company are usually subject to economic constraints. If e.g. a tool displays only a limited economic scope then it’s further development may be abandoned by a company (like e.g. happened in the case of google wave [Goo10]|Goo10|). Similarly a non-profit organisation without secure funding may need to abandon such a project. Wikipedia hosts a list of social media sites at [Soc]|Soc|.

A game environment like MMOGEP could in princible function as a possible kind of application for such a scientific plattform. That is the scientific data and other input could be fully or partially managed via the scientific plattform. Similar to the way online games can be accessed via social media, a hub to a game project could be embedded into the interfaces of such a plattform. Likewise the visibility of certain scientific work could be made more visible via a scientifically supervised and assessed game.

Another application for such a plattform could for example be a link to eco-tools. For example scientifically up-to-date assessments about the economic costs of environmental damages could be a valuable input in an economic game. The discussion of eco-tools is however beyond the scope of this article. The interested reader may read a comment to that at BLOGPOST-MUSSNOCHGEMACHTWERDEN.

The above made visible that it is an interesting challenge to manage the different semantic data. In particular the discussion about possible plattform applications and their needed features may fuel the new standards of the semantic web, notably the development of HTML 5 and XHTML 5 and their related API's.
Concluding, for the development of a game environment one has not only to keep the possible game types (like e.g. 2D, 3D etc.) in view, but also the interfaces which are needed to control the scientific projects and in particular the handling of scientific data.

The current approach in this draft is to roughly discuss concrete game proposals in order to get a feeling for possibly needed features. In this article one such proposal will be discussed as an introduction.

4.3 Outline of the game Utopia

The below proposal for the game “Utopia” (working title) shall be seen as a so-called design treatment, i.e. according to François Laramée it is a “a quick discussion of your product’s unique features and target audience”. The description of Utopia serves thus rather as a preliminary idea before starting with the development of a so-called preliminary design and design. These two steps are way more detailed (see e.g. ). The principal character of Utopia is sought to be similar to games like “The Sims series” or “CityVille, FarmVille” etc. that is Utopia shall be a more or less massive multiplayer online (role) playing game, which mimicks a toy world, however with the main focus on finding a working scheme for a more socially and environmentally balanced political and economical landscape than the present one.

4.3.1 scope and market of a game

The social gaming industry is a rather growing industry according to there are estimates that the social gaming industry generated $1 billion in 2010 and may reach $5 billion by 2015. This means that the competition for reaching a broad audience is rather likely to grow than to diminish. A priori this may be seen a good testing ground for the attractivity of a new economical/political scheme, since if such a scheme can’t compete with “real life” simulation-scenarios like e.g. as (partially) featured in “The Sims” or “Cityville” then it probably will have no chance as a real “real life” scheme (if one takes the possibility to create real schemes at all into account). However one has to observe that not all game-attractive features may be senseful for the implementation within a scheme. In particular it has to observed that the imaginative aspect of games plays a crucial role in the attractivity of games. That is e.g. the possibility to play a completely different role in a game than in real life adds to the drive to play games. One could in principle add game-like features into real life (buzzword: gamification) in order to mirror this property to some extend and in fact as mentioned this has already been done at several social media sites, however if one would like to see the scheme as a simulation of a possible real life scenario then there are clearly limitations to the imaginative aspect of such a game scheme.

Moreover depending on the amount of scientific attendance there may be game-play mechanisms which one would need to try out even if they may at first not appear as overly attractive etc. The overall budget and the role of scientific attendance will make the comparison with typical commercial counterparts difficult. In general it is to be asked how much commercial pressure should last on a testing ground which has in some sense a major scientific agenda. A
A typical MMPORG could easily cost 10 million (2003) $ \text{[Car03]}$—this is about the budget of a typical major European research project running for ten years.

### 4.3.2 the game Utopia

The game Utopia was outlined in 2009 at the blogpost \text{[Kut09]}.

#### main economical components

The game idea starts from the crucial point that **surplusses are needed for investments**. In reality and within a country one could find such a surplus in all assets which are not unconditionally needed for covering the running costs. Its a debatable point what these are, but in richer countries one can find a surplus. Or colloquially put: Schloss Neuschwanstein could a priori be liquidized. In some sense a country’s surplus is an indicator of how a country flourishes. If there is no surplus and if even running costs can’t be covered then a country is usually considered to be bankrupt. Economic growth is usually seen as an indicator for surplusses. The question what may be accounted for as a surplus is important and will be discussed in section 5 i.e. the Appendix: Surplusses and Exchange.

The second main point which enters the game concept is that in nowadays typical economies **investments into ventures with no or low return are usually not taking place without regulatory interference** (see eventually again also the article \text{[Kut10b]}). This may lead to environmental problems as mentioned in section 3.4.

Slightly simplifying: **one of the reasons for investing only in profitable ventures is of course that surplusses are usually only possible with enough profit (which is a kind of “minisurplus”) and investment is only possible with a surplus.**

In a game the whole political and economical set-up can in principal be set by game rules and/or by the interaction of the participants, as was indicated before. So apriori in a simulated toy world one can have states that are more like rural middle age states (that would then rather be accounted as an role-playing game) or states like in a nowadays modern economy. One can study how collectives built up values, how rules influence decision making etc.

In Utopia a toy state shall be organized in a different way than a nowadays state like e.g. a typical European state. The discussion about surplusses and investments will constitute an important guideline for the set-up.

**first stage: determine a basic set-up in Utopia via gaming**

In appendix 5 it was outlined why the notion of **exchange** and in particular the question of **what types of exchange** exist is an important feature for understanding the role of machines and the survival of humans.

For the game Utopia one of the main starting points is to assure the **survival of humans**. This decision may imply that it is eventually necessary to cut back on certain types of exchange. Moreover it does influence the question of what a surplus is in Utopia.

Since in Utopia one of the main starting points shall be the survival of humans one needs to identify, what is necessary for survival, what is there and what kind of exchange is necessary. As already indicated in section 5 the question of what is necessary for survival depends on the individuum, living
conditions, like location, climate etc. A human needs a rather well-defined mix of food, air and light for e.g. producing vitamin D. The body has to be held between certain temperatures, it has to be moved in order to keep the muscles functional. The brain is depending on the individual more or less sensitive to stimulation (like feedback), where this may get too much (like noise etc.), the brain needs also an adequate amount of sleep etc. So like if people live in an urban situation then food (“ressource”) has to be transported to them (“exchange”) etc.

Consequently if one wants to start out in a game with a toy copy of the present world, then it takes some work, but it is in principle possible to determine the very basic living needs (for simplicity assume the world can be frozen for the determination). First e.g. determine the necessary supply of food. I.e. here one needs e.g. to count humans together with an information about their food intake in an area and determine how much food is needed in that area. It is fairly clear how to determine this, like in war-times systems of food stamps worked often rather well. Likewise one may determine the needs for living space (space, sanitation etc.) needed based on average needs. Depending on the climate and on the size of living space, needs for heating and clothing can be likewise determined. Likewise basic infrastructure for health care and education can be determined. It would be interesting to have such a “map of basic living needs” for the real world. For Utopia it would be enough to make more or less good approximations.

Then register resources, like buildings, forests, agricultural land, mines and their details like energy needs etc. Here the usual cartography is already quite good although it not so easy to find a comprehensive tool (an example is e.g. at \[\text{efCGCfaSD} \Rightarrow \text{es}\]). Likewise do the same for production sites and skills of the given population then finally one ends up with a more or less realistic “Sim World”-map. Given such a Sim world map it is not easy but possible to determine a kind of “optimized basic exchange”. What is meant by this? If one has a cartography of the basic needs, the ressources and the processing (or production) sites then one can try to distribute the resources and products in such a way that exchange is minimized. For food that would e.g. mean, start with local food and import only in winter etc. But note that exchange shall include here also transport of workers. Electronic communication needs between humans should also be reduced, etc. It won’t always be possible to find a unique optimal result, but it is conjectured that one can come up with a fairly good solution. In particular one will immediately see that in some regions it would be good to have a new production or farming site in order to reduce exchange. If one has enough unemployed appropriately skilled workers for that site, one could built such a site. Eventually one could think of employing some extra “training” resources into the game etc.

This process of reorganization of distribution can be already be done in a game setting. That is people may compete in finding “better” optimization solutions for a region or for the whole set-up, while having a certain supply of reforestation measures, extra agricultural land, extra production sites, mines etc. Exchange could be measured in units of energy, further measures like extra energy needs of ressource/production sites \(8\) environmental friendliness of \(8\) this may be an important ingredient, as for example the energy needs for the production of a good may depend on location and thus a bigger exchange may be in certain cases better.
exchange (and of the involved production/ressource site) etc. could be implemented. This is a bit similar to games like “how do we best pack our car”, i.e. here one can often - but not always- tell if a solution is better than another given the criterium “use as much car space as possible”. If you have additional criteria like “put the heavy items not only on one side” (bad for curves) then things get usually more difficult.

This initial stage of the game allows to come up with a set-up, where the basic survival needs for humans are set in some way. The extra needs for exchange itself are sofar not included, but could be then included in an iterative way. Note that in such a set-up a lot of production sites and resources may stay un- or only partially used.

It would be of course interesting to compare the game solution with the actual situation and also with purely mathematical optimization procedures. That is humans often take criteria into account, which are not officially stated as such (like daddy secretly wants above all to get his lumberjack axe into the car).

second stage: luxury correction

In the first stage a basic set-up was determined which assured the immediate survival of humans in the respective regions. It is clear that there will be a quite divergent distribution than in the underlying real set-up. For very poor regions there will be more assets in such a set-up than in the real world, likewise in a rich region a lot of infrastructure and assets may be unused. In the second set-up additional needs like higher education, higher integrated consumer goods (like dish washers), transport for private use, more living space etc. are to be implemented. Note that the education of engineers, physicians, school teachers and qualified personnel to maintain (rebuilt) the given infrastructure is accounted for as basic education. Likewise the training of teachers for this education shall be accounted for as basic education, although it is traditionally counted as “higher education”. This is because this education is necessary to maintain the basic set-up.

distribution of surplusses

This section is sofar still a copy of the blogpost: In the game a toy system is investigated with which the distribution of surplusses is “controlled decentralized”. That is the games parameters could be tuned in such a way that in the game the distribution of surplusses could range from a distribution from an ideal free market economy to a fully state controlled distribution via adjusting the amount of so-called beneficiary investments.

Lets explain this. Assume there exists a certain amount of surplus. In the game that surplus is just a fixed start amount of extra money in a kind of “sim city” world but with a different toy economy than a typical one, which would more or less mirror our typical economies.

Now a surplus could be in total centrally distributed by a government. However similar real life experiments like in a centrally planned economy showed that this was economically often less successful. Nevertheless it is meanwhile also rather undisputed that governments or other societal institutions should be able to exert an influence on the distribution of surplusses.
Hence let’s e.g. assume that the given surplus is evenly distributed among the participants (in order to give the most democratic chance of investment and in order to mitigate the problem of lazy riches). The distribution of the surplus could however be apriori be unevenly distributed as an object of study and thus in particular coming closer to real economies.

Impose the rule that any personal surplus has to be spend within a short time span into various (short and long term) investments (so money has to be invested). The investments have to promise benefits.

That is either one can collect some kind of “beneficiary points” (being e.g. issued by societal institutions prior to investment) for investments into ventures with low or no return or one can collect money returns. For the work which is related to the distribution of the surplus each participant gets a wage which can be used for ones own consumption. The wage is dependend on the success of the investments. If an investment yields no return or no beneficiary points or worse if the investment is even lost then the participant is punished. E.g. in the worst case that is if the whole surplus is lost then the participant is punished with getting no wage from surplus. The actual size and dependency of the wage with respect to the earned returns and/or beneficiary points is thus an important parameter.

All made returns and beneficiary points enter the personal surplus and have to be reinvested. A venture may store collected investments and eventually issue interests until the needed lump sum is collected that would accomodate for the storage effect of banks.

It may be also be good to allow only for investments which are not ones own investments. This would e.g. encourage long-term investments, since the surplus could anyways not be spend on ones own projects and thus accomodate at least partially for the intermediation function of banks. It would also make the creation of investment circles impossible.

Note that the distribution of beneficiary points is also an important parameter (please see also the discussion of assigning values in [Kut08]). In particular beneficiary points may be distributed to such different things as newcomer bands, extraordinary social activities/aid or very special research projects etc. The question of how to determine “how beneficial” a low-profit investment is, is of course debateable. However it is in principle usually possible to come to conclusions as one can see at the example of film boards, theater subsidies etc.

5 Appendix: Surplusses and Exchange

This section is dedicated to main components in the discussion about surplusses and exchange in economics. The discussion serves as a guideline for the game Utopia. For the discussion it will be necessary to recap a little bit and repeat some common knowledge in order to motivate the involved concepts.

Very simplified the GDP (see e.g. the expenditure method) counts e.g. the total expenditures per year. If there are more expenditures in a year than in the previous one (i.e. if there is a growth) than this means that there was a surplus.
5.1 surplus and perception

The GDP is thus a metric which gives some information about the state of an economy and its surplusses. It is a fairly course grain measure and as indicated in section 3.2 it doesn’t describe too well the quality of life in the corresponding economy. For that reason a number of different measures, like e.g. the above mentioned HDI Index had been proposed (a good list is e.g. at the Wikipedia GDP site). Economic growth is however not only an insufficient measure for the quality of life per se but in some sense also insufficient for assessing what a surplus is. One of the main reasons for this is of course that the questions “what is the quality of life” and “what is a surplus” are to some extend a psychological and cultural question. Or by taking again the example of castle Neuschwanstein - it is clear that if the federal state of Germany would try to sell castle Neuschwanstein then of course this would stir up quite some resistance in Bavaria. In fact building the castle was bringing the state of Bavaria on the brink of ruin and the sacrifices made at that time are still in the conscious of many bavarians. Likewise the european gothic churches were built while people had to make many sacrifices to their living standards for that purpose. I.e. the churches were regarded by certain collectives in the middle ages as something that had a very high value and not as a surplus that could be rather easily given away. Some building projects in the world were even considered to be so important that their value extended that of human lifes. (the reader may want to read also the discussion about assigning values in [Kut08 ⇔]).

However the popularity of the GDP lies in the fact that these hardly quantifiable questions don’t need to be assessed, but that there is a matter-of-fact indication of some kind of surplus.

So what is this surplus about? Amongst others it’s about the use of resources but one of the main ingredients of economic growth is also that human productivity is growing. Hence the role of labour and productivity must play a role in the discussion of surplusses.

5.2 labour, productivity and the role of machines

In section 3.3 an investigation of labour statistics displayed that economic growth is correlated with a growth of a labour market. However economic growth turned out to be way “steeper” or “faster” than the corresponding growth of the labour market. Thus the share of labour versus GDP is in decline. And if one asks where the economic wealth goes to if not into labour then the old suspect that machines are replacing human work seems to have a statistical evidence. There may however be of course also other sectors to which wealth may go.

Apriori the replacement of human work with machine work is in a lot of cases a good thing. A lot of hard, unhealthy, impossible and dangerous work can by made by machines and this certainly usually serves mankind. However as long as machines are not intelligent autonomous units like humans there will still be work, which cannot be replaced by machines. Moreover at one point the resources needed for a machine which does some work may exceed the basic resources needed for a human.

This is an important point. Let’s investigate this further.
In order to work properly a human needs certain working and life conditions. If those conditions are not met a human will rather perform below its capabilities, moreover the maximal workforce will hold for a shorter time. The human will be worn out faster. As long as the world population is growing one can rather easily replace humans who do not work efficiently enough. Likewise as long as there are enough resources the maintenance of machines will be eventually less profitable than their replacement. The general balance of the costs for humans versus the costs for machines do play a role in our societies. The involved costs are connected with the task of a human or machine. In particular the simpler and the more repetitive the working task, the easier it is to built a machine for the task, which is cheaper than a human. A machine may eventually be even cheaper in terms of environmental costs. So for task which could be equally be done by a machine or human, the costs of work play a role in the competition of machines versus humans. In the social economies in Europe the costs for the work of a human are relatively high in comparision to other parts of the world. One reason for this is that the heavy introduction of machines and the fierce battle of labour costs vs machine costs started already in the 19th century with the onset of industrialization. Here humans fought not only for more decent living conditions but also fought for a compensation of costs, which arise when a human is not working, like in case of education, unemployment, sickness and old age. (Apart from industrialization there were of course also other factors like cultural and historical which gave way to this movement and to similar movements in other parts of the world). The more there was the need for work, which couldn’t be easily done by machines (like e.g. for the control and development of machines), the more pressure could be exerted in asking for a recompensation. In the turn this made the creation of more machines attractive.

Let’s look a bit more on the tasks or benefits of work. Workforce goes to a great extend into creating and maintaining humans and machines and their immediate environments, like buildings, livestock etc. It is only rather recent that a growing part of workforce goes into, what could be subsumed under the word “exchange”. That is into higher mobility, tourism, enforced communication, bigger financial streams etc. Throughout the history of mankind there was always some degree of “exchange” like in particular the exchange of resources, which was of course mostly due to geological, climatical conditions. As soon as humans settled in regions which were not fully adapted to their living conditions they needed to increase “exchanges”. Living in perfect conditions, i.e. at a place, where food can be found in abundance, where there are no dangers and the climate is fine, a human can survive almost without exchange, even humans as a group would need a priori very few exchanges for surviving. However living in very cold weather, between wild animals makes e.g. the storage of food, eventual mutual food exchange, sharing of tasks, defense etc. necessary.

One could now infer that the exchange which is necessary for survival is connected with work which should be accounted for the creation and maintenance of humans. Likewise the knowledge for building more intelligent machines has to be exchanged and should thus be accounted for creation and maintenance of machines and humans etc. So why consider the term “exchange” separately from creation and maintenance?

Because it is very important to keep track of what’s happening here.
5.3 exchange

In order to explain why the separate discussion about “exchange” makes sense, let’s fix some terms and simplify a bit. Let’s call a carrier of something “a medium”. Let’s call something that simply stores not just “storage thing” but also a machine (if you want call it storing-machine). That is a fridge would be a machine, but also a building could be seen as a machine to some extend. A book would be a machine. This simplification may be strange at the first place, but it has some advantages.

It is now rather straightforward to see that humans are rather bad media in comparison to machines. That is humans can carry only a few kilograms of materials, they are rather slow (like in comparison to a car), they cannot fly, even as the carrier of information they are rather bad, that is they forget things and their phantasies makes them sometimes rather unreliable for carrying information.

So in some sense one can say that one of the main tasks of machines nowadays is the one of being a medium for something.

In the turn it is clear that any exchange needs a medium, because exchange means to carry (or more general “mediate”) something from somewhere to somewhere else. Note that exchange is here not only over space but also over time. That is storing information can be seen as “carrying information from the past into the present”, likewise computing weather forecasts can be seen as “carrying information from the (somewhat fuzzy) future into the present”. In that sense also creation bears some components of exchange, that is e.g. a child carries the genetic information of its parents. Note also that in this sense language could be seen as a medium for information etc. Consequently it follows that the more exchange is taking place, the more media is needed and thus the more machines are needed.

The above simplification makes visible that the primary role of “work”, which was the creation and maintenance of humans (i.e. “survival of humans”) has shifted.

It displays that for the discussion of the role of work and surpluses one has to decide first how much emphasis has to be laid on the survival of humans and how much on exchange and in particular on what kind of exchange.

5.4 humans and survival

As a matter of fact one can state that in our nowadays societies only partial emphasis is put on the survival of humans. This can be seen at the mere fact that there are e.g. people starving in the world. Often this fact is attributed to a “survival of the fittest” paradigm, but of course it is clear that the most intelligent and from genetic disposition most bodily fit kid in a starving region like e.g. in Sudan may have no chance and starve - despite its “genetical fitness”. Likewise it is clear that there is a lot of exchange taking place, which is definitively not necessary for the survival of the human kind. I guess it is not

\textsuperscript{9}Short side remark: If (classical) information is seen as “the message” then with this understanding of language “the medium is the message” holds only true for lossless transmission.
necessary to come up with examples. One may at that place infer that the cre-
ation of machines (vs survival of humans) may be in accordance to the “survival of the fittest” paradigm in that future machines may turn out to be fitter than humans in the long run. However nobody knows wether humans will be able to construct such machines (especially not such machines which do what humans thinks they should do) and it is sofar even not clear wether mankind may survive long enough to be able to develop such super machines. It may actually rather be the case that humans will keep trying to enhance their capabilities by machinistic add-ons. So this “survival of the fittest” paradigm seems to be not an overly useful guideline for current world politics.

Furthermore it is important to note that another big use for machines - apart from enhancing the means of survival and thrive of humans - is the use as a power instrument. That is with the use of a “machine” a human can be more powerful than another. In particular weapons are “machines” which do not necessarily support the “fittest” human. In the discussion about survival of the fittest one would thus in particular rather need to compare human-machine hybrids.

Many types of exchange may raise the power of a human versus another. Here again machines are often used as a medium. So in particular pistols may be seen as a medium for the exchange of bullets. Let’s look at this more closely.

5.5 power and exchange

It was asserted in the previous section that many types of exchange may raise the power of a human versus another. In fact in some sense any type of exchange alters the power of a human versus other and the question is rather how much in which direction.

The term “power” for electrical circuits was not chosen accidentally, it was most likely made with respect to the human analogon. An MMOG is a kind of network (with human add ons) and thus similar in form to (the considerably simpler) network “electrical circuit”, it makes thus sense to sometimes compare the terminology.

In particular it is clear that social networks are important for assessing the question of what belongs to human power. Like the power of a human in a social network is often directly related to the question of how many friends/followers, i.e. connections a human has. In particular the more connections a human has the more exchanges are apriori possible. Somewhat like a battery which can take in principle more loads (or recharges) if there are more connections.

A human may have more power than another human if amongst others it has more capabilities and/or more exchanges to apply at least some of its capabilities. This is important with regard to the add-ons and/or the immediate environment of a human. So for example weapons enhance the physical power of a human and thus its capabilities, using a weapon for exchange is usually only in war times important. A lot of devoted followers may increase physical power (however not so much as an atomic bomb) and mental power, likewise they may increase the exchange with other humans. A computer enhances the capabilities of a human and depending on what you can do with it the exchanges a.s.o.

Power is of course an important parameter for survival. That is if a human
has not enough power to withstand destructive features in its environment then it will, depending on how destructive the features are die faster than in normal lifetime. In a friendly environment there are less destructive features and thus a human doesn’t need too much power to survive. As pointed out earlier in such an environment the average capabilities of a human are enough for survival. This is somewhat similar for groups of humans. Thus the more power the more there are not only higher chances for survival but for also for growth.

The limitation of resources is a more or less “destructive” feature in a human environment and thus a human may have a quest to overcome that limitations via applying its power. This may result in power struggles among humans. Power struggles may have an additional destructive component. That is if ressources are limited then e.g. the danger from the power struggles may be worse than the dangers from the limitation itself. In particular the perception of limitation, values and the need for growth plays a big role here. Likewise the perception of destructive dangers from power struggle are important. Like it is to be expected that an individual which has been heavily involved in power struggles will be faster alerted and faster “up for a fight.” That is the real danger of a power struggle is hard to assess and therefore it is easier to be “more prepared” rather than to built up counter-measures depending on danger. For the same reason it is to be expected that the more an individual is or has been involved in power struggles the more it it won’t consent to a decrease of power.

Given the additional “destructiveness” of power struggles, it may for the purpose of the survival of a group therefore be important to decrease these additional destructive components which may arise from power struggle. Among humans in smaller groups this is usually done by choosing either powerful individuals, who’s decision is more or less ruling (“emperor”, “chief”) or by setting rules and/or individuals which more represent and defend those rules (“judge”, “magician”, “elected council” etc.). These individuals need usually to have more power than a single individual in a group in order to be able to mediate power struggles, to eventually defend weak group members and in order to coordinate struggles against destructiveness which is directed against the group. They have this power in part alone by the number of “followers”. The less these individuals are involved in the power struggle inside a group the better the mediation usually works. However the more resources are “limited” the more mediation may be difficult and the more such powerful individuals may not be independent and be themselves involved in power struggles. Moreover powerful individuals are often chosen because they are already quite powerful and withstood many struggles. That may make them even more prepared for being involved in struggles.

5.6 Importance, power and exchange

It will be useful to introduce another component in the discussion about power and exchange, which is the notion of importance. Importance can be seen as a kind of relative evaluation of a human with respect to other humans. That is an individual may be important to one particular person or to a whole bunch with varying levels. A high importance doesn’t necessarily imply that that person has a high power. Like for example for the atmosphere in a community
a joker or artist may be important, so that that person may be important for many people. It is however not necessarily the case that a joker has a high power. Importance is though often related to “emotional power” that is to an emotional (inter)dependence of one human to another. Likewise a powerful person has usually automatically some level of importance that is such a person needs to have been positively evaluated by its followers, it may be regarded as an important enemy by its counterparts etc. In particular importance can be positive and negative that is a lover will be rather positively important for a person, an enemy rather negatively important. Importance is related to the attention a human devotes to another, or to itself. Importance may however be also connected with purposes and things. Importance seems to be some kind of emotional need for survival. A human seems to need to be important for something. How important it feels seems amongst other to depend on the feedback it has got from someone/something, it depends also on the individuum. Rapid changes in importance seem to give usually an extra thrill (which influences motivation) in the positive or in the negative direction, depending on wether the importance increased or decreased. Like people eventually seek rapid positive increase in importance by taking part in contests, on the other hand strong negative “thrill” may lead to strong agression, like people may be driven close to suicide if they are suddenly discharged from an important position. Here it is to note that the expected importance (to stay in a position) and the displayed importance (the person is discharged) may contribute to the level of reaction. That is if the discharged person had done something which was wrong in its own value system, which led to the discharge, then there would be probably less aggression. Likewise if people loose in a contest, they are usually disappointed and sometimes even aggressive because one usually only enters a contest if one expects to win to some extend.

Interestingly being very important for one person may compensate for being of minor importance for a couple of people. Strong importance is usually connected with emotional power. Being strongly important for many people may for some thus be even a burden, because the emotional power involved with this importance may lead to a feeling of strong responsibility. In the humble comparision with electrical circuits, importance may eventually be related to something like voltage and feedback (“photons”) could thus be somewhat related to the electrical field.

Importance is thus related to exchange via the amount and quality of feedback. The quality of feedback is related to perception. Like in the example of the discharged person an early mediation of the possibility for a discharge and its acceptance may eventually lower the expectance and thus eventually the aggressivity of reaction. Moreover just like in the electrical analogy it seems that on average the exchange related to importance needs less energy than the exchange related to power.

The notions power and importance are sometimes not seen as different features, but they are. In particular people sometimes try to gain importance via power. Some power struggle is related to that. Given the possibly different energy balance of the respective exchanges it is therefore to be asked in how far some kind of power struggle can be replaced by a different handling of importance.
5.6.1 games and importance

In her short talk “Gaming can make a better world” [McG10] Jane McGonigal illustrated the rise of computer games and what could possibly make them so different from real life. She identified four major components which she thinks games are making people good at. She was criticized for this oversimplifications, however I think these simplifications may be very useful in understanding the involved processes. She identified gamers as becoming good or virtuosos at

Urgent optimism: “Think of this as extreme self-motivation, urgent optimism is the desire to act immediately, to tackle an obstacle combine with the belief that we have a reasonable hope of success. Gamers always believe that an epic win is possible and that its always worth trying and trying now gamers don’t sit around.”

This may be in part be related to the thrill which is related to a rapid increase in importance.

Social fabric: “Gamers are virtuosos at weaving a tight social fabric there is a lot of interesting research that we like people better after we play a game with them even if they’ve beaten us badly and the reason is it takes a lot of trust to play a game with someone.”

I don’t believe that one always likes people better “even if they’ve beaten us badly”, but the “social fabric” seems to be related to the question of feedback, i.e. the gameplay may make enhanced feedback necessary and may give people a better chance to perceive their own importance.

Blissful productivity: “We know that when we are playing a game that we are actually happier working hard than we are relaxing, hanging out.”

This may mean that activity/work per se is important. The type of activity may also matter. In particular unpleasant work may reduce happiness. Since unpleasant work has to be done in the real world, it is thus very important to find out how to compensate for the eventually involved reduction in “happiness”.

Epic meaning: “Gamers love to be touched to onspiring missions, to human planetary scale stories.”

Being involved in human planetary scale missions is of importance.

References


