<u>Debate: This house resolves</u> <u>that gambling is a fundamentally rational activity</u>

<u>Editor's Note</u>. The Center's annual workshop began as a discussion of pre-circulated papers on a particular theme and this is still the format that most sessions take. Over the years, however, there has been some experimentation with format, such as the introduction of lectures or 2008's workshop with invited presenters and a wide range of topics. The agonistic and ludic quality of this year's workshop theme seemed to call for something else, however. What was initially conceived as a "roundtable discussion" featuring Jesse Molesworth and Richard Nash, therefore instead became this debate. The "sticks" referred to below were a dozen each of green (affirmative), red (negative), and blue (voting) sparkly pencils. Given this debate's theme, the Center's Acting Director thought it appropriate at the beginning of the workshop to ask the two leading speakers to "ante up" and buy his sides sticks for a dollar each. Each then re-sold his pencils (or, perhaps, gave them away) to participants wishing to speak on his side of the question. The blue, voting pencils sold for two dollars each.

Rebecca Spang: Welcome to this exciting innovation in workshop format: the first structured debate. So, we will begin with Richard, then Jesse, then Richard, then Jesse, and then open it up to a green followed by a red, followed by a green, followed by a red. My inclination is to say that each intervening speaker will have two to three minutes, and we will take a break at about 3:05 in case we need to do a little horse trading or make some side bets. In fact, in order to recoup your investment you might want to think about placing a bet now on which side is going to win [laugher]. We have to be at the Lilly at 4:00, but that's only (you know) a five-minute walk away, so since we're starting late, I think we can go till 3:45. So, Richard, gambling is a fundamentally rational activity.

Richard Nash: Indeed it is. I introduced myself earlier under academic credentials. You're each welcome to take a card to find out my other identity [he passes out cards for Byerly Blood-stocks]. I'm happy to offer you this opportunity to buy these green sticks that will allow you to speak in support of the resolution for two dollars for one, three dollars for two, if you want to begin to speculate in the market. I'm also happy to recognize Tracey who has agreed to appear in my livery here, which is something I've always wanted to be able to say. [Laughter].

Tracey Hutchings-Goetz: For the record, I've also agreed to hide his livery, [laughter] in exchange for one of Jesse's sticks. [She then demonstrates that she is wearing Richard's livery under her jacket.] So, I have managed to do both.

Nash: We'll have to see how this goes in the . . . see what happens in the final resolution.

Jesse Molesworth: How many does she have?

Nash: She has one of everything I believe.

Nash: The resolution is that gambling is a fundamentally rational activity. I am enough of a Swiftian to understand that no human activity is solely rational in practical application, people being who (and what) they are. I am enough of a libertine to understand that pleasure, properly considered, frequently extends beyond the reach of reason. But I am also enough of a moralist and a pragmatist to understand that gambling is among our most rational of pleasures and among our most pleasing of rational actions. As you will see, it is also among our most virtuous and morally instructive entertainments.

Every good debate begins with definitions. Here are a few that matter: The name handicapper derives from "hand-i'-the-cap" (Tracey should be able to show you the cap to which this refers) [she shows the cap to the group], and refers to the one of three players who draws the marked slip from three slips held in a cap. Each of the three players stakes a set amount in advance. They then reach into the cap and draw lots. The handicapper is she (in this case it would be Rebecca) who draws the marked lot. Her role is now to propose a match between the other two on terms agreeable to both; if her match is rejected by either, she forfeits her stake to be divided by those who refused the match; if her terms are accepted, she regains her stake (as will happen for her avatars, those holding blue pencils who sit in judgment), and the match is conducted, winner take all. The match is accepted when both parties say 'done.' So it has been conducted at Newmarket since the seventeenth century.

'Done-and-done is a match.' Where only one side accepts the terms, there is no match. Done is no match; done-and-done is a match. This is an act of rational choice, not compelled but freely entered into, according to agreed upon conditions. When my distinguished opponent joined me in accepting the terms on which we appear today, he entered—freely and rationally—into play. I welcome his appearance here today, and announce it as a sign of my triumph in this debate. [Laughter]

We will, of course, go further.

An action may be deemed rational when it is not instinctual or unbidden, but the result of purposive choice, undertaken in pursuit of some end.

It is so self-apparent that gambling is fundamentally a rational activity (subject only to the Swiftian caveat with which I began) that I will not belabor that point, but launch directly into the strongest articulation of the case: that gambling is not just fundamentally rational, it is THE fundamental rational action in which humans engage.

We may direct our minds, from time to time to other purposes, or other directions; or at least we may tell ourselves that we do. But the higher purpose of our reason, the greater calling of our intellect, indeed the spiritual duty of our soul—as Pascal well understood—is gambling.

Gambling is the mechanism, devised in antiquity and perfected by Protestant bourgeois capitalism, for the practical everyday exercise of the skills incumbent on those who wish to live ethically and make right decisions.

Gambling—precisely like Providence—sutures past and future, general and particular. That is its essential governing condition, and it establishes, within that condition, a framework of reward and punishment that encourages rational choice in practical application. As such it not only is fundamentally rational, it is THE fundamental rational activity of human beings.

If you want to teach people rational choice, let them bet. Then reward them for good choice and punish them for poor choice.

If you want to teach them the practical application of rational choice, insure that the rewards for good choices and the punishments for bad choices will be consistent with reason in the long run, at the level of system; AND will be inconsistent with reason in the short run, at the level of anecdote. Pragmatic rationality is about reconciling short-term deviation from long-term general rule, by the responsible calculation of magnitude of reward, weighed against severity of punishment, in the context of what observable data tells us about the relative frequency of various competing outcomes; and that is why I have money riding on the last race at Churchill Downs today. [Laughter]. Uncertainty and indeterminacy are not the enemies of gambling, but necessary precursors to it—one cannot gamble rationally on certitude; fortunately, life is uncertain.

Not all winning bets are good bets; not all losing bets are bad bets; not every good bet wins; not every bad bet loses. Determining whether a bet is good or bad is a function of the game, the situation, and the bettor.

Horseracing, a special interest of mine (these last comments were written two years ago when I was invited to contribute a commentary on this topic to the *Thoroughbred Times*, some of you may remember that, but many of you, I know get behind on your journal reading [laughter]). Horseracing has a unique business model, one that makes attendance at our events relatively inexpensive and accessibility to our athletes unusually possible (if you want to watch practice, you just have to set the alarm). We are the only sport whose business model is tied directly to gambling; and yet we often act as though gambling were something to be ashamed of. It is not. Gambling irresponsibly—like drinking irresponsibly, or driving irresponsibly, or drilling for oil irresponsibly, or any number of other irresponsible actions—is irresponsible.

But that does not make gambling bad. I personally think gambling has much to teach us, especially about values, and most especially about acknowledging responsibility for and the consequences of the wrong decisions we make in life.

I learned a lot from my father at the racetrack, and some of that had to do with gambling; and most of what I learned that had to do with gambling was not about speed figures or tips or handicapping races, but about responsibility and character and trying to make the right decision.

If you gamble only once, then everything depends on whether you were right or wrong. If you gamble more than once—and in life, we all gamble more than once—then so much more depends on whether you are making choices the right way. If you are, then you may not win every time, but you will win enough. And if you are making choices the wrong way, you will learn that there is something wrong with the way you are making choices. Those are important lessons to learn. And the racetrack is a good place to learn them.

Horse racing has honest value. Bet on it.

Gambling is a rational activity. Thank you. [Applause.] These [he holds up green sticks] are now \$2.50 [Laughter].

Molesworth: Alright, so-

Robert Schneider [to Nash]: Would you take a red pencil? [Laughter]

Molesworth: Alright, so, you know, is gambling a fundamentally rational activity? Obviously, there are a couple questions. But, you know, mainly two, I think. First of all, what is gambling? And, second of all, what is a rational activity? And I think that gambling, the first one, Richard and I can agree, that this is wagering some stake (whether monetary or not) on the outcome of some undetermined future event. So, betting on horse racing, I concede, is gambling. But, really that's just the beginning, Richard. Gambling also encompasses casino games, lotteries, Powerball, slot machines, a wealth of activities that I don't think that your description of gambling or

rationality describes. So, the question, the second question is ultimately more important: what is rational and do the motives for gambling fit that definition of the rational?

Now, I think it would be absolutely impossible to say that gambling is economically rational. So, I'll just give you one stat here; so, in 2003 (not even a decade ago) North American casinos made thirty billion dollars from slot machines alone. So, we're going to exclude the card tables, exclude roulette, exclude crap tables, just the slot machines. Now to give you some perspective, this thirty billion dollars was more than the combined annual gross of McDonald's, Wendy's, Burger King, and Starbucks. And, for more perspective, this thirty billion dollars was far more than the nine billion dollars that was spent on movie tickets sales. So (you know) on some economic level we would prefer to sit at a slot machine and gamble than to go to see a movie.

Furthermore, I think that most people know that economic expectation is against them when they gamble. So lottery players know that this probably is not a very good investment. Slot machine players know that their expectation is going to be very poor, and, probably, many of them know, or some of them know, perhaps, that when you play a slot machine your expectation is about thirty cents on every dollar that you've spent.

So this obviously raises a new question: what extra utility do people get from gambling? And, is that extra utility in and of itself, rational? And I'll give you my answer (which comes from my book), and that is this: people gamble for plot. So, that is to say that is its fundamental appeal. To gamble is to enter into a plot. What gambling offers is the opportunity to take a serious of random events, or mostly random events, and to interpret them as though they occurred as part of some greater design.

So I think that gambling—Richard wants to see gambling as about control; I want to see gambling as mostly about the illusion of control. So, what is my evidence? Well, I'm just going to read two accounts of gambling that I think are pretty exemplary (at least of what my experience of what gambling is). So, this comes from Walter Benjamin's *Arcades Project*, which is one of the influences in my book:

I submit that the passion for gambling is the noblest of all passions because it comprehends all others. A serious of lucky rolls gives me more pleasure than a man who does not gamble can have over the period of several years. I play by intuition, *par l'esprit*—that is to say, in the most keenly felt and delicate manner. Do you think I recognize gain only in terms of the gold that comes my way? You are mistaken. I see it in terms of the joys which gold procures, and I savor them to be full. These joys, vivid and scorching as lightning, are too rapid-fire to become distasteful, and too diverse to become boring.

So, gambling is seen as quintessentially opposed to boredom.

I live one hundred lives in one. If it is a voyage, it is like that of an electric spark . . . [Quoted from *Chance and the Eighteenth-Century Novel: Realism, Probability, Magic* 91.]

That's the first. The second is this:

Well, what is gambling, I should like to know, but the art of producing in a second the changes that Destiny ordinarily affects in the course of many hours or even many years, the art of collecting into a single instant the emotions dispersed throughout the slow-moving existence of ordinary men, the secret of living a whole lifetime in a few minutes—in a word, the genie's ball of thread? Gambling is a hand-to-hand an encounter with Fate . . . The stake is money—in other words, immediate, infinite, possibilities.

[Quoted from Chance and the Eighteenth-Century Novel: Realism, Probability, Magic 91.]

So, that is to say that we have got several things that are important here. One is that notion of the multiplication of life that goes into gambling. That is to say, that I live one hundred lifetimes in one. There's a narcissism to gambling; it is partially about that expansion of the ego into many lives.

Second, obviously that notion of the 'hand-to-hand encounter with fate.' When you gamble you are forcing Fate or Destiny (in the capital) to act upon your life, my small life. You are calling on fate to give you a narrative hinge point, whether positive or negative.

And, finally, obviously, is that point we've been making, I think, in most sessions: gambling (and I think play, in particular) has a special time to it. So, that is to say that it is both rapid, in the sense that many things happen instantaneously, and it's also slowed in some senses, in the sense that hours unfold in the blink of an eye.

So, what do we get from the notion? If, indeed, to gamble is to enter into a plot, as I've theorized. The utility of plot for me is that it re-enchants. It re-enchants a secular cosmos. It reenchants a post-Enlightenment cosmos in which the answer that God caused this to happen or Fate or Destiny or all these other things is no longer a viable description of what happens to us. Plot arises to ensure, obviously, the importance of the individual in the absence of these other things.

And, is that rational? No, it isn't. My definition of rational (of rationality) has to be objective, a disinterested account of what happens. And, to say that things that are not plotted are part of plot does not fit in any definition of rationality to me. A basketball game is not fundamentally plotted. A war is not fundamentally plotted, a political campaign . . . So, Danny, I noticed that you talked about the boxing match with a hinge point. That notion of a boxing match with a hinge point is an interpretation that is imposed retrospectively in order to give it a narrative character. A boxing match is simply a series of rounds that is fundamentally unplotted.

So, that's my position. Discovering a plot when, indeed, there is no actual plot performs a different function, and that is to ensure the importance of the self. And, I'll leave it there. [Applause].

Spang: Actually, we could go back to Richard now. Did you have time to formulate your response? Or shall we actually have . . . ?

Nash: So, I now have . . . do you want an interruption now? Or do you want me to respond? And if so, how much time?

Spang: Why don't you respond to Jesse now, in three minutes? or five?

Nash: Three minutes it is. I'm terrible at taking notes when I'm on the fly here, but at one moment Jesse offered how much money was spent on gambling. I didn't listen, I remembered it was a lot.

Molesworth: Thirty billion.

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Nash: Thirty million?

Molesworth: Thirty billion.

Nash: Thirty billion. Excellent. [Laughter]. How much was spent on that . . . well, I can't ask questions, but I would like to know how much was spent on that most rational of all human activities: war? That is to say, the idea that we spend money on gambling—the size of the economy in and of itself—is not an indictment of its rationality. That comment led him into the difference between the rational expenditure of money on a slot machine versus the expenditure of money on going to the movies. What you are buying in either case is pleasure. I don't play slot machines. I don't derive pleasure from slot machines. I understand some people do. As much pleasure as they derive from movies, but movies never pay them back. Slot machines do. They may not pay them back as much as they put in, but what they're putting in, or in some cases they pay more than they put in. What they're playing for is that particular pleasure of the "game that can repay."

Whether they're making their choice wisely or not about whether to play is separate from whether or not the choice they make is itself a rational choice. How well they make that choice is a separate question. One of the points that Jesse alluded to was it's not just horse racing, it's not just certain games of cards, but it's things like Powerball that are gambling. Indeed, it is things like Powerball. I hope all of you are better paid than I am [laughter.] As it turns out, if I project my salary to the end of my working life, I have a rational expectation of perhaps earning as much as a million dollars in the working life ahead of me (at the outside, the extreme outside) [laughter].

Robert Schneider: That's the gross.

Nash: Last month, for a dollar (which even at my pay grade is not that much [laughter]), I was able to hold a ticket in the lottery in the Powerball that had a jackpot of over five hundred million. It would be irrational to pass up that opportunity. The dollar did not hurt my lifestyle, but the five hundred million would have dramatically altered it [laughter]. The choice of whether or not to play the Powerball is precisely what I was alluding to earlier: where you take a look at the conditions of the game, you look at the possible outcome, and you make a decision about whether or not to play.

Last weekend, they ran the Kentucky Derby in Louisville. A lot of money was bet on that race, as many of you know. One of the things that was bet on the race was a bet called the 'Super High Five' in which you select the top five horses in order of finish. It was a twenty horse field, and no one collected. Today is the first day of racing in Louisville since the Kentucky Derby, and so, the last race on the card offers a 'Super High Five' with a jackpot added of a two hundred and seventy-five thousand dollar carry over. It is a good place to make a bet because the jackpot will be that much higher. You are basically betting into a pot today that will probably be in the neighborhood of three-quarters of a million dollars. You still have time to get your money down. [Laughter] I can see I've used my three minutes, but I will, I will pass on the claim that rationality must be a disinterested account. I don't necessarily agree with that; I think we make rational decisions that are interested all the time. I don't think disinterest is required for rationality.

Spang: Jesse, would you care to rebut to some of Richard's ...?

Molesworth: Yeah, sure. Well, I mean, I am willing to concede that the version of gambling that Richard offers is his personal experience, and I'm even willing to concede that this is about five percent to ten percent of all total experiences of gambling and I'm even willing to concede, I think, that that speaks to horse racing. And, I'll say that, you know, I don't necessarily think that your purchasing a Powerball ticket is irrational even though the expectation is poor because as you explain, obviously, this is a relatively small wager that doesn't impact your life, and obviously the payoff is in something that is an avenue, in some ways, to a different form of life.

My problem is the slot machines. The slot machines, the thirty billion on the slot machines. Because this is a behavior that impacts a number of lives incredibly negatively, and one has to come up with some version of gambling that accounts for that. The amount of money that is spent on slot machines far surpasses the amount of money that is spent on horse racing. It dwarfs it. Any account of gambling has to account for the thirty billion dollars that I've talked about. And for me, Richard, yours doesn't. So, this notion of taking responsibility for wrong decisions, I don't think that's what slot machine players are doing. At least, to my . . . Is the slot machine virtuous and morally instructive? Would you defend that view? I certainly wouldn't. This is an incredibly, you know, destructive behavior by any account, at least to me. So, you know, my question is, I think, that you describe gambling as purposive choice towards some end, but does every choice that we make need—

Nash: I described rational activity that way.

Molesworth: OK, a rational activity. Does every choice that we make lead to some predicted, to the end that we predict, I suppose? Your definition does not enable the possibility of illusion or fantasy or these other things that, at least, I believe that are a part of any description of gambling. Can we operate under some choice that we think is going to lead to a certain end but that, indeed, leads to a different end? Which is my version of gambling, which is the importance or the assurance of the self. So, that's my question: can you defend that? I'll leave it there.

Spang: Fritz.

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Fritz Breithaupt: Thank you. I want to accuse Jesse of making a category mistake here [laughter]. And the mistake is the following: I think what you do is you mix up the attraction of gambling with gambling as such. There is a strange kind of, perhaps, very irrational attraction of gambling, and this attraction (I think that I haven't been, I mean, I agree with that there are a lot of things that are strange about it), but just because the attraction of gambling may be not rational or irrational, doesn't mean that gambling itself is irrational. I mean, there can be plenty of examples of this if you think about morality. Morality is very rational, at the same time, the attraction of morality (if you read Freud) is extremely punishing and is founded on punishing bad fathers and all of these kinds of things. It has an irrational origin. Aesthetics can give rational things a very irrational attraction.

And, I think something like that is going on with the slot machines, too. That with the logic that you describe both in your book, and now also in this more informal form, this attraction of entering a plot is one of those irrational attractions to the activity of the gaming itself. But it doesn't mean that the game itself is irrational, and I think that's the mistake that I or the slip that I see in your argumentation here. I mean, of course, all sympathies, I'm also not for slot ma-

chines, I also find it extremely problematic. But, the problem is not that the slot machines are not fundamentally rational, they're quite rational.

As the chairman of our committee has movingly and convincingly conveyed [laughter], gambling itself is rather rational. It is extremely rational. It actually shows and exhibits the pure form of rationality as such, void of form. That's exactly the interesting thing of gambling that it, there's no form of content with it and that's why it's so pure in its rationality. And I think that was convincingly displayed. And, I'd also just like to highlight this argument that this purity of the gambling form is also highlighted by this repeated process, I think that this is a very important argument, that you can keep making it and learn from the mistakes. I mean, it's a selfperfecting system, which (for me), is one of the criteria of showing that there is something extremely rational at the heart of it.

Molesworth: Definitely-

[Many voices at once in response]

Johannes Türk: That is true for the horse racing, not for the gambling machines, there is no— [A cacophony of voices and laughter interrupts him.]

Spang: I already have Robbie to speak for the reds.

Schneider: Well, I mean I think I can throw this right back at Fritz, you make a category mistake because to be attracted, the attraction is still outside the experience, and what I think that Jesse primarily, I think, landed on was, in fact, gambling. It's not the consequences of gambling. It's not the purposes of gambling. It's not the intent of gambling. It's not the choice of gambling. These are all words about the value of gambling. It's not the rewards of gambling. It's not the punishment of gambling. It's the *experience* of gambling. It's the existential, the phenomenology of gambling, of opening up yourself to that void. Which is very different from, from, from other forms of life. Not all. I mean, there are analogous situations, but I think what we are missing here is precisely the frisson. The, the, the thrill, the enchantment, the, all the excitement, all of which is depicted in Dostoyevsky's characters or (you know) various other sorts of representations. That's what gambling *is*. Not the attraction to it, not the description of it, not the modeling of it, not the consequences of it, but the being in the moment of gambling. That is, is not a rational experience. It's full of life; it's, it's totally over-determined; it's blah-blah-blah; it's not a rational experience in that respect.

Spang: Michel.

Michel Chaouli: Thank you. Since we're on the topic, there is another category mistake. [Laughter].

Dwight Codr: I have one, too.

Chaouli: Thanks, you can follow up. So, it seems like, I mean, I have basically two different points. The first point is there is a difference between rationality on the one hand and wisdom or prudence, etc., on the other hand. So, just because an action is not wise does not make it irra-

tional and, so, you can tally up all of the kinds of actions that are, that are unwise by some standard (which one would then have to posit) but, that would not ipso facto make them, make them irrational, first of all. So that's one point.

The second point is that the resolution is about something being fundamentally one thing or another. Not purely. And, I think people are getting themselves entangled in the question of purity. I don't think that anybody proposes that there is nothing like pleasure involved in gambling, but the pleasure that is involved in gambling is intimately and irreducibly, I would say, implicated in rational capacities. If you are not a rational being you could not gamble (it seems to me). That kind of pleasure would be foreclosed to you.

Codr: Right.

Chaouli: So, in that sense it's fundamentally rational to me. It's not by its outcome or tallying or did people lose or did people win or is there a frisson or not. Of course there is, but the kind of frisson that there is (just like the kind of pleasure that is in the beautiful) is only possible, is only open, to beings that are also rational and that are fundamentally rational in every, in every part of their being. So, for me, it's in that sense and not in the sense of calculus about outcomes and so on ..that, that gambling—just as aesthetic experience or play, actually (for that matter), or *this* kind of play, gambling, anyway, is fundamentally rational. It cannot be subtracted from it in that sense.

Spang: Dwight?

Codr: Well, yesterday, Jesse and I were talking about whether this was going to boil down to just a debate about what rationality is, and so, we've kind of gotten that close. So, I've decided that my comments are going to be more on whether gambling is an activity [laughter].

So, I don't dispute the rationality of it. I dispute whether it's an action. So, activity could be described as a busy or vigorous action or movement, and it seems to me as though it's worth thinking about the distinction between the ancillary activities that lead up to a moment of gambling and gambling. And it seems to me as though rolling dice or dealing cards or putting money on, on horses or, or, or—I don't exactly know what you do Richard [laughter] something with blood), but—

Nash: And race.

Codr: So, so . . . or Work. This seems like work, there's a lot of work that leads up that moment. But, but that's not gambling.

Nash: No.

Codr: The gambling is actually in the moment of hesitancy and, as you put it very nicely, sort of 'opening yourself up to the void.' And so it sort of seems like it's at—that's what defines gambling, is *not* activity, the absence of activity. And so, I didn't clear this with Jesse, but I thought I would (as a way of illustrating this) the stake will be (and you don't have to agree, but this is all uncertainty), I'm going to roll four dice, and if the number comes up above, above twelve, we lose. [Laughter.] Sorry. If it comes up below twelve then we win. Well, you can decide. [Laugh-

ter] This part of it [he rolls the dice in his hand] is not gambling, it's what happens after this, it's what the dice end up as. So, I'm going to do that and you can decide to agree with it or not, and reproduce the logic of the dice yourselves when you're casting your ballots. So, over twelve, we lose. [He rolls.] We lose. [Laughter].

Molesworth: He didn't clear this with me.

Spang: What is it?

Codr: It is . . .

Codr and Nash simultaneously: It is fifteen. [Laughter.]

[Unintelligible comments]

Spang: I have Jonathan wanting to speak on the negative; I don't have another positive.

Daniel O'Quinn: I will.

Spang: Danny, excellent. I was going to propose—should we have Danny and then Jonathan? And then a very brief break for those of you who perhaps don't have sticks who may want to acquire them. For those of you who do have sticks who may want to see if you can swap them, and for any side bets people may want to place on who's going to win. So, Danny?

O'Quinn: I don't know if it follows well on this, but I'm going to go back in time to 1797: Elizabeth Inchbald brings to the stage *Wives as They Were and Maids as They Are*, and the central predicament in the play is that maids as they are don't have fortunes. So I'm going to speak in the position of a maid without fortune—are relegated to the world of fashion, which means that they gamble. And, one of the brilliant moves Inchbald raises is she says that that is a fundamental step towards agency and action, and it's a rationally chosen move. In other words, I think, I want to make the loss even harder [laughter] because, you know, without a fortune she has no value and she is passively moved around the marriage market privately, but, in the realm of cards she gains agency, activity, and value.

Now, this does open her to all sorts of possibilities, but it certainly keeps her in the realm of reason as Michel defined it and in the realm of activity. So . . .

Rebecca: Jonathan?

Elmer: I want to just dispute briefly the attempt to disarticulate the meaning of rationality from the judgments of wisdom or prudence or all the rest of it. It seems to me that reduces the notion of rationality to a purely formal one, which is then (at least in Michel's version) rendered essential to the human thereby securing a very impermeable and—you just can't dispute that, it's like 'to be human is to be able to make choices' in a sense, at all, whether they are wise choices or unwise choices. So, rationality is taken so far away from our normal way of understanding judgments on rightness or wrongness that it seems unfair in this debate. Or, wrong.

Michel also brought up the idea that that gambling be understood in this regard, at least, as a subset of a larger phenomenon called play. Since we've been taking about (and Richard emphasized from the very beginning) that what was at stake here was a choice freely made. So, all these things gathered together make me question whether or not, first of all, choices of this kind are always freely made. Whether one can be *brought into* a gambling situation, that is to say, a compact that has real consequences, a social engagement with Fate or with another, with a competitor that has real consequences and real stakes. And, I will accept that as a definition of a gamble, but it would not necessarily have to be horse racing (warfare could be one as well, in this regard).

And, secondly, if animals can play (as I believe they can do) that also undermines from a different perspective the idea that rationality is essentially human, and that all that follows from the humanity of making a choice is also called into question by that. So, that's my comment.

Spang: Let us pause here for just a few minutes. [*pause* for "horse trading" and other such activities.]

Spang: And we're back. Okay: go!

Molesworth: As I said [laughter] Fritz, I don't accept your attempt to disarticulate the appeal or the motive or the allure of gambling from the actual experience or activity of gambling. I mean, I don't . . . you know, potentially we could argue whether gambling is a form or not, but I think that very few people, you know, are willing to accept that, you know, that this has nothing to do with the actual practice. I mean that's, you know, that's the way that I understood the question to be: the practice, the experience of gambling, and, I think that probably most of the people here think of it that way as well.

You know, I think that Michel made a similar move to talk about the form, or gambling as an abstract thing, that is human. But, you know I don't necessarily think that gambling is totally human. I think that things that are potentially . . . you know, are lacking in rationality . . . animals might potentially gamble.

Play is, you know . . . Richard's version of gambling is to me outside of that sense of play that we've been discussing since the very beginning. Richard has offered a definition of gambling that is much more serious and is not a part of that Huizinga definition of play which is the non-serious and outside of the normal fare of ordinary life. So, these are the types of questions that I'd like you to respond to and particularly the thirty billion dollars and defending the rationality of the thirty billion dollars that you have yet to do.

Nash: I'm happy to pick up on this point and particularly the thirty billion dollars which is pitifully low... [Laughter]. Keep in mind that the way we measure gambling in horse racing is by handle, by churn: that's how you finance the industry. There will be (I don't know what the churn was, I didn't pay attention to the handle on Derby Day) but it was probably somewhere in the area of one hundred or two hundred million, quite possible in the area of four hundred million. And, somebody was saying it was the largest attendance they've ever had at the Derby, so it may be more than that. Lot's of money gets bet. I think that's a good thing. I don't think the size of that economy makes it any less rational.

Nor do I think that reading is not a rational activity. I'm committed to the proposition that reading is, indeed, a rational activity. It may at times be enchanting; it may sometimes be tedi-

ous; it may be a way in which we escape from our current experience of time to a transformative sense of time: it remains a rational activity. Just as gambling is a rational activity. The idea that there is some experience of enchantment in either reading or gambling, that the experience may feel like a particular kind of pleasure outside the normative, diurnal qualities of life...that's simply one aspect of that activity which remains (as Michel was saying) a fundamentally rational activity.

I particularly enjoyed Dwight's roll of the dice. I hope the judges will all be influenced by the outcome. [Laughter]. On principle, however (as a defender of the case that I asserted in my first affirmative case) I will point out that is no match until it is 'done and done': terms set, terms accepted, and the act of 'done and done' is the act of wagering. Wagering is an activity, and like breathing, it is a fundamentally rational activity.

Spang: Johannes?

Johannes Türk: OK, I just have a very few remarks. [Laughter]. For one, I think that the example that you give is actually well chosen for the purpose of your argument but it does not hold for the core of what gambling is nor for most gambling practices. In other words, I would question the validity of the example you gave and the reason is that in horse racing, in the bets on horse racing, there's a certain element that permits for learning. In other words, I can learn about the history of, you know, the different horses, and I can then project, make rational projections about the future (which in most typical forms of gambling is not possible). Therefore, I would say that the example cannot be generalized.

Second, though, I think that (and this is a historical argument) the problem with gambling is that it changed its nature over time. I agree that it actually does not involve agency, in other words the central act of gambling is actually one where agency is left behind. In other words, it's the decision for a process that is exactly beyond one's control, and this is well expressed already by Tacitus who observes that Germans are kind of passionate gamblers [laughter] and that they interpret this as an act of God. And, I think that is the traditional interpretation of gambling: that the outcome of gambling is actually a divine providence. And therefore, they voluntarily, for example, go into servitude for the loss of gambling. This is what Tacitus in, I don't know, maybe 90 A.D., so I think that I agree that it's actually (you know, exactly) the giving up, the voluntary choice for giving up agency.

But, I think today (and this is my main historic argument), I think gambling has become an industry, and I think what people overlook is exactly the profit that is being made. In other words, you give—and, again it's not a good example because you say 'look, it costs me nothing to bet on something that potentially gives me a lot of money,' that sounds, right, as if this was rational because you give up hardly anything, hardly anything for potentially a great gain. Now, this is true for one out of a million people who play, and the person who really wins is statistically the one who organizes the gamble. And, therefore, I would say it's a profoundly irrational activity because I decide to make a business rich that actually takes money from a lot of people in order to give, make this one exemplary person rich.

In other words, I claim you overlook what is called the irrationality of the law of great numbers, which is statistical and which is precisely beyond traditional models of rationality. In other words, you say it's rational on the level of choice and you overlook that it's irrational (I think) for 99.9% of people on the level of choice. But, on the statistical level there are institutions that make profit of it and I think this process lies beyond traditional models of individual choicemaking and rationality.

Now, we can see—so in a certain way (I think), a second historical argument that would be interesting to make is that today we can see that the alliance between practices of gambling and capitalism have definitely failed. Because I think, as (you know) the last economic crisis has shown very clearly, and (I mean) the stock market is based on principals of gambling and on the trust that that's a rational choice. I think it's fundamentally irrational and it leads to processes that are endangering, you know, the world. So that, it seems that this statistical rationality is beyond the reach of human learning and rationality (in the sense that it's out of our possible control as, you know, political beings). So—

Spang: Thank you, Professor Türk.

Türk: OK. [Laughter]

Spang: Chris.

Chris Chiasson: So, I find it distressing that the opposing side thinks so very little of reason. I think that they can be refuted with, of course, the Frankfurt School and Heidegger (in that order). So, firstly, as for the people who are spending thirty billion dollars on slot machines, they are responding rationally to a damaged life in which they will never amount to anything [laughter] and the only rational response is to numb their pain. Alcoholism would also be an appropriate response to this. Crime (under certain circumstances) would also make sense.

Then there is the level that Richard has been casting this debate at which is that gambling also functions as an ideology in terms of pedagogy: we form our subjectivity around it. So, for those who cannot form their subjectivities there are slot machines; for those who can, there are horse races.

Now, as for my distinguished colleague who thinks that opening himself to the void is somehow an irrational activity [laughter], Heidegger is very clear about this, and, also, it is an activity. So, what you are doing when you open yourself to this is you are being authentically towards death. You are experiencing the being of being. This is what Aristotle wanted you to do all along; that's all he's saying. So it seems to me that, for these reasons gambling, must be rational. [Laughter, applause, and cheers].

Spang: I believe I now have Hall?

Bjørnstad: A very short historical observation: Richard mobilized Pascal in his opening statement, and, and it's of course natural to go to Pascal because together with deMoivre he laid the foundation of probability theory. And Pascal's wager as well, that's the foundation of decision theory (at least according to Ian Hacking and Lorraine Daston and others). However, if you look at what's the point of Pascal's wager it goes in the opposite direction: it's normally read by these historians of decision making that what Pascal does is to show that while you can't prove God, you can prove that it's rational to bet on God, so if you aren't maximizing utility, it's rational, too. But that's not Pascal's point, that's the starting point of the discussion. He puts it out and his interlocutor approves, but it's not his point. The point is that the interlocutor is not able to act, even if he agrees—which is the admission that he's irrational. He admits that rationally he should, that rational creatures should wager on the existence of God, but he's not able to do so. And that's why he has to manipulate his own subjectivity and pretend. So this really pushes the idea of what is rationality and leaves us with a extremely wide notion of rationality and irrationality. . .

Spang: So, now I have Fritz and Michel on the affirmative, Anne and Jonathan on the negative, and then we'll come back (I think) for closing remarks by Jesse and Richard and then we'll have a vote. Fritz?

Breithaupt: Thank you. The first point, the fact that gambling is fundamentally rational doesn't mean that it has to be good in all respects. I mean I'm not for slot machines and all these kinds of things (just to be very clear).

Secondly, the fact that there are people that profit from gambling, that there is an institutionalized form (as Johannes was proposing) also doesn't automatically make it irrational either. There's a lot of very good things (social welfare and so on, you know) institutionalized that other people profit from it. These things we have to keep outside of it.

And thirdly, Johannes (actually on the opposing side) has brought up the stock market. Of course he claimed that the stock market is ultimately irrational, but if you talk about numbers there I would say that ninety-nine percent of gambling has at least (that is to say the magnitude of the stock market is probably one hundred times larger or so than the slot machines, but probably more, much, much more). And I think that yes there is gambling there, every one admits that; every stockbroker knows that no one can predict the future. At the same time, we have a structure that comes much, much closer to the very structure, what the CC (the chairman of our committee) has proposed (the one of horse betting) where you look at past performance and so on and so on. And at least it's very intertwined with it. Of course you have irrational effects on the stock market, too. People can have the 'beauty effect' where you bet on what others are betting on and so on, but that doesn't—that is not a bad thing.

The key point that I want to throw out here is that there is a learning process even in the most basic (kind of) lottery games or so where you still learn from your choices. Gambling is never just a one-time thing; it's never just the first time, it's always in a series of betting and betting. You know the game, you have to learn that you can lose. The first thing is simply even in the most basic kind of roulette games you lose or you win. And the first process that you learn is 'Oh, I can lose. If I put my money there, I can lose.' And there is a learning effect there that can be transferred into many things, into many forms. It is also part of series that has exactly the form of learning in a (I would still defend) pure, a fairly pure form of it, that you learn from your past troubles and you learn from making choices. You gamble on marriage partners, too, and you hope that they will [inaudible]. Not as juicy as the examples that Chris has thrown out, but maybe something of that sort [laughter]. Thank you.

Spang: Anne?

Anne Beate Maurseth: OK, It's my turn. I have a red stick. I think maybe I could have had a green stick as well [laughing/laughter], but that's my *raison d'être* perhaps, but since I have a red stick I will try and argue in favor of the red sticks.

I think that maybe in accordance with what has been said here that gambling can produce rationality, it can produce calculus and probability, it can produce rational choices, but in itself it's not rational. And gambling is—it can be an activity that is rational, rationally motivated, but is not itself rational while gambling. Gambling is essentially an activity that is stressing the moment and the singular event somehow, and it is stressing the experience of the singular event.

You can make statistics out of it (out of the series of a different gambling series) and you can come up with the law of big numbers, for example (large numbers). And you can have different attitudes to gambling in itself: it can be both—you can have a rational attitude to gambling or you can pretend that you mastered the calculus of probability, but as we have seen in (for example) the novel that I wrote a paper about, the rationality will not always win in the long run. (And, in particular not in regards to the singular event). But so, I'm kind of tempted say that you can have different attitudes to gambling, but gambling is neither or gambling is both.

Spang: Shall we—?

Maurseth: So I don't know this registers anymore [laughter].

Spang: Michel?

Chaouli: Thank you. So, it's a little confusing to me because people on the "no" side are claiming both that gambling is a kind of abolition of time, it's a kind of momentary thing where you're outside time the way that you're saying that the rolling of dice is not part of gambling (which I completely disagree with, I actually think that that is one of the most exciting parts of it—that's actually how I experience it, actually at this very moment) and then also the idea of emplotment, which requires a completely different idea of time. So, I'm not certain how to square those two; those two ideas, they seem to me pushing it in completely different directions, but that's just the worry about that.

My main point is that it seems to me that you guys are both conceiving—it's kind of along the lines of Chris's point—conceiving of rationality as far too narrow and far too strong an activity. Far too narrow in the sense that it's limited to things like calculation or something that can be translated into some sort of a formal language like, like logic or, or mathematics or something like that, and far too strong in the sense that it should then produce something like something called a mastery, produce mastery, good outcomes, wisdom, everybody wins, things like this.

And it seems to me it's neither of those, it's neither this narrow nor is it this strong, but it's actually much more pervasive (the way I think of it) and much weaker as a capacity than that. It is simply the possibility that we have, that in everything that we do (including things that include fantasy and illusion, that might include addiction or compulsion) all of which is involved (I think) in the phenomenon that we are talking about.

The possibility of say reporting about it ('Why are you doing this?') and we may not have a good answer for that, but the question makes sense to ask. And it seems to me once a question of 'Why are you doing this? Why did you do that rather than that?' once that question (I'm not talking about the answer to that), once that question is possible (and I think it always is in something like gambling) we're talking about a rational activity. You can not ask this question when somebody has banged a hammer on my knee and my leg jumps: the question 'Why did you just do this?' makes no sense whatsoever in that, in that context. It *does* make sense in the slot machine case.

The person may not have a good answer or you may not be satisfied with the answer, but it seems to me that it puts it within the horizon of reason, of reasons, of giving reasons. And that's

all that for me being rational actually entails, it doesn't entail anything necessarily, anyway, stronger (it can be stronger, you can have very good reasons and you can have bad reasons), but the fact that we would expect somebody to have reasons strikes me as being the minimum condition of something being a rational activity.

Spang: Jonathan?

Elmer: Well, then again what I said before in answer to you Michel still stands, that anything human is rational. There is—

Chaouli: [Interrupting] Not anything.

Elmer: Well OK, except for the knee going up. [Laughter]

Chaouli: No, no there's a lot of digestion...

[Many voices at once.]

Elmer: Any, any part of human-

Chaouli: Human behavior.

Elmer: Human behavior. That so weakens the claim from the original debate that that it seems to me so minimal an account of what rationality is (certainly much more minimal than Richard's, which was originally one that he reiterated in his second pass, which had a lot to do with a model of "compact," I would say). 'Done and done': there is a moment of choice that is answered and there is therein (it seems to me) exactly what Jesse put his finger on in his initial comments, the illusion of control. rather than...There is a model of rational choice in the 'done and done' thing that is, one could argue (and I'm going to argue), that is illusory. It's a little bit like the social contract. The social contract feels rational in its theoretical grounding because there's a notion of choice being made and there's a notion that it is sort of equally available to all contracting parties, but we also know that it is, that it is a scene in which there is no equality before the choices go.

I'm reminded of the (I think it's called) the ultimatum psychology test? Just to go to the question of how whether people are making choices rationally or through already embedded social arrangements, which seems to be a truer sense of what's going on. In the ultimatum test somebody's told: 'Here's a sum of money, here's a million dollars. You only get to have this if you share it with another person.' You go to the other person and then you make an offer. It turns out that when they conduct this experiment that (and this is transhistorical and transcultural), that if the first person proposes a split greater than 80-20 (or maybe it was 75-25), the person that is in line to get 25 free, rationally, presumably for their benefit ('Why not, it's 25 I wouldn't have gotten anyway'), says 'No, I'm not going to take this money, just to keep you from getting your 75 or your 80.' This is—I don't know whether this is a version, like a negative version of what you had in mind, Richard, but it seems to me an example of the way in which choices get made but they do not validate the model of rationality and people act against their own interest as it were for social reasons. So, [laughter], but the formalChaouli: But that's only if your own interest is to gain more money.

Elmer: Right, but-

Chaouli: I mean that's a very narrow way of defining what interest is.

Elmer: But it is, I believe, the, the, at stake at the concept of rationality when it comes to the, the thing about gambling. I thought it was implied.

Spang: Richard, closing remarks?

Nash: Closing remarks. I'm not sure how much time I have. I'll be brief, and I want to begin by thanking everyone for participation here. I will briefly return to this point raised (most recently by Jonathan in his perpetuation of Jesse's original misunderstanding of something I said at the outset) [laughter]. The easy move to say that "Richard wants gambling to be about control" when Richard has been explicit in saying that gambling is about choice is to misunderstand the difference between choice and control. 'Done and done' is the action that makes the wager. It is not controlling the outcome. It is not controlling the situation. It is choosing to be "in play." That's what a wager is. That's the activity that Dwight was looking for.

I want to thank everyone who has spoken on the side of the affirmative proposition for doing such a wonderful job of explaining how rational gambling is. And I want to thank everyone who has spoken on the negative side for showing how prone to irrationality human beings are. [Laughter]. I began with Swift; I end with Swift. I think Swift helps us understand that gambling is a rational activity. Thank you.

Spang: Jesse?

Molesworth: I also wish to thank everyone for everything that could possibly be, that one could be thankful for. [Laughter] I mean, it seems that the affirmative has a two-pronged argument going, and one is this notion of abstracting gambling (the experience, the practice) into simply a definition. I'm holding here (what one might consider) the definition of whist. Is this whist? [He holds up the rules to hombre, printed from Wikipedia]. It doesn't seem to me that it is.

Nash: It's hombre.

Molesworth: Oh, sorry, hombre. [Laughter]. Indeed. No, I mean, it seems to me that any definition of gambling has to include the practice, the experience, and, yes, the allure, the desire, the motives. All of that, obviously, is for me part of what gambling (understood as gambling in quotes) is, so I would ask those voting to think about precisely that distinction.

And the second is, obviously, Michel's attempt to broaden rationality into something that no longer looks like rationality to me. Our definition of rationality is not purely calculation or expectation. I said that (you know) I don't necessarily view Richard's purchase of a Powerball ticket as irrational though the expectation is (obviously) pretty darn bad. But I do think that to simply expand it to anything that fits within the human experience is simply too much (as Jona-than says) it weakens that definition of rationality into something that I can't recognize.

So, is that thirty billion dollars—you've said that illusion and things like fantasy might fit into some definition of rationality, that is to me too broad. Illusion and rationality or illusion and fantasy are things that are defined against rationality, and I think that and I hope that (obviously) that is a definition that most people are working with. But, the affirmative has conceded obviously that illusion and fantasy are part of the experience of gambling, and I ask you if indeed that can be considered rational by your definition (as you put it).

Spang: Thank you, Jesse. [Applause]. We come now to the moment of voting. I remind you that by the rules no one at this point my hold more than one stick. [Laughter]. If you hold multiple sticks at this point, you sacrifice your vote.

Schneider: What are you supposed to do with your sticks?

Breithaupt: Sell it. Get money for it. **Spang**: Find a way to get rid of it.

[The participants scramble to buy, sell, or trade their extra sticks. Many simultaneous conversations can be heard, including voices saying: "free-rider rule.... there's no market, there's no market for these sticks... why would anybody want to buy a red stick, or a green?"]

Nash: The question is, "Why would anybody want to have a red stick?" I can see why I want to have green sticks, these are valuable to me and it will cost you a lot to get them.

Spang: Right, right. Remember that the pool is divided. All voters, no matter which side you vote on, get part of the pool. Plus, the holders of the winning-side sticks.

Elmer: Can people who hold blue sticks hold more than one blue stick?

Spang: No.

Elmer: Alright, so this has to go back. Everybody has a stick.

Spang: Everybody has a blue stick?

Elmer: Everybody has a stick. You said we could only have one. I can't give away my red stick.

Codr: We need to make sure we have an odd number of blues, also.

[unidentified]: Why would anybody want to trade?

Breithaupt: If you have blue, you get to vote; if you have a color, you get to win theoretically. So if somebody thinks they know which side will win, they could still get that color by giving up their blue for that color....

O'Quinn: There's a problem with me. I have a blue... but I spoke with my green. So this blue is, is waste...

Elmer: Yes.

Nash: It's excess capital.

O'Quinn: Unless someone... like I am giving it into the world. So if someone...

Chaouli: Why can we only have one stick? Oh, because, fundamentally, you're only supposed to be on

Elmer: That was part of the amendment [proposed from the chair during the break].

Nash: Because in an action that no one seems to be objecting to as cheating, the judge intervened and changed the rules in the middle of the game. And we all accepted it.

Elmer: Under the name of a "friendly amendment." [laughter; many voices]

Spang: We also, I admit, did not establish in advance the form the voting was taking. I am personally inclined toward a secret ballot, but I did not draw up any ballots, so—Anne says that's impossible. And so, we move to simply going around the room and asking those who hold blue sticks: 'yea' or 'nay.' And since we need to be at the Lilly at 4:00, I think anything other than quick, brief comments explaining your vote. Perhaps none would be called for. So—

Elmer: Should I, should I collect them? Do you want to do it that way? I'll just go around and collect them. [Laughter.]

Breithaupt: We need someone more neutral than that.

Spang: Those holding blue do you mind speaking out loud?

Nash: You're not going to get blackballed from anything.

[The participants holding blue pencils vote, and the resolution passes six to four: gambling is a rational activity.]