

THE REAL MONOPOLY GAME

This is a game, you might say...but it is also an exercise designed to illustrate the processes of production and distribution of wealth. You will see how different levels of natural resources influence wealth-producing power, as well as the economic effects of cooperation and exchange. Each of you will go into business, and will be called upon to make economic decisions. But life is tough--and so, in many ways, is our game. You'll probably see the rich get richer and the poor get poorer--because this is, first and foremost, a game designed to illustrate the principles of political economy.

how it works:

Since we are in a classroom environment, the basic unit of wealth we will produce will be class notes. Specifically, the item of wealth we are producing is a sentence, of at least eight words, on a sheet of paper (specific rules for sentence production appear below). Two types of sentences can be produced. One is a sentence written in crayon on a paper towel; the other is a sentence written in pencil on a sheet of paper. The latter, of course, will be worth more. The former, though, can be produced out of the available natural resources--it will not require capital.

This game will work best if every player acts according to Henry George's fundamental principle of economic behavior: that people seek to satisfy their desires with the least exertion. Within the game, our desires are necessarily simplified: basically, to produce wealth, by developing natural resources and capital--because wealth is inherently desirable (it can always be exchanged for desirable things).

Some hints on getting started: Please read the game rules carefully before the seminar; that will help everyone to be a competent member of the simulated world we are creating. When you come in, you will naturally want to claim the most productive piece of "land" available--so familiarize yourself with the different types of natural resources, and glean what you can about productive potentials from the "exchange rates" chart. Don't spend too much time thinking about what to say in the sentences you write. As long as they're not repetitive, it doesn't matter what they say (unless you want to write poetry, and try to sell it for a higher rate!). And, be aware of your options as the game progresses. Look around you and consider how to exploit advantages in the game rules to maximize your profits. Depending on what resources they start out with, some players may be better off to work hard early; others may benefit by waiting until demand for their resources increases. You may find that your land will not support you in the short run, even though it contains resources that will eventually be very valuable! In that case, you will have to find an agricultural job (writing sentences on towels) for a while--but don't despair--in the long run those sharpeners could make you rich!

After the game has been played, you will receive some material on the game's rationale, and we will have a discussion about how our game resembled (or didn't) political economies in the real world.

land and natural resources

Each chair will be considered one plot of land. Plots of land will be distributed on a first-come, first-served basis--in other words, those who arrive first will be able to claim the most productive plots of land. Once you claim a chair, it and its resources become your possession. You may begin to produce sentences and exchange them when the signal is given to begin.

Paper towels and crayons represent agricultural resources. They require no extra capital and they may be used immediately. Certain other items represent mineral resources: pencils, pads of paper, and pencil sharpeners. These require production before they can be used (in other words, they have to be "mined" and brought to market). The costs of developing these resources are listed in a table below.

land claims

When the game moderator determines that all the players have arrived, if there are more plots of land (seats) available, they will be opened for claiming. Any player may claim no more than two plots immediately adjacent to his or her own. Land claims are first-come, first-served. However, there may be a rush for open land, and two or more players may want the same plot. If, in the judgement of the moderator, neither player clearly made the claim first, then the players involved will have to negotiate. They may decide to share the land, or one may buy out the other's claim. Sales are final, and land prices are determined by the buyers and sellers.

money and capital

Money will be issued in various denominations, and it represents a certain value in sentences produced. Barter transactions may also be made.

Certain costs are fixed (see table). It always costs the same amount to develop resources. Certain costs, however, are variable and are set by the market. Pencils, sheets of paper, or sharpeners may be sold for whatever you can get for them. Plots of land may also be traded for commodities or sold for money, and

workers may be hired and paid in either commodities or money. The rates of payment for such transactions are to be set by the players involved.

the wastebasket

The wastebasket is an essential resource because: to use a pencil, it must be sharpened, and to sharpen it, one must use the wastebasket. Sharpening a pencil without using the wastebasket will be considered a criminal offense and carry stiff penalties.

Getting access to the wastebasket costs money. This represents a natural hardship in getting to an essential resource, and the cost is the same for everybody. Note: access to the wastebasket is not the same as using the wastebasket; these are two distinct costs. The class may decide, by majority vote, to do away with the access cost and replace it with a tax (see taxation below).

The wastebasket owner, or a hired representative, must be present to collect the wastebasket use fee; if the owner or representative is absent when someone comes to use the wastebasket, the fee is forfeited.

subsistence

Fifty dollars every twenty minutes will be collected from each player, payable either in money or in sentences of equal value. This represents a subsistence level of consumption. The game moderator will collect subsistence payments, and give a "subsistence tab" (a little sticker) whenever the subsistence payment is collected. Subsistence tabs must be turned in with accounting reports (see accounting below). If a subsistence tab gets lost, the player must pay the \$50 fee again.

If a player cannot pay, one of three things will happen. 1) The player may try to make arrangements to beg or borrow the necessary amount. If the indigent player can find employment, the employer may deduct the subsistence payment out of future wages. 2) The player may sell off some of his or her assets, either land or capital. 3) If the worker has no assets to sell or cannot raise enough money for subsistence, subsistence wages will be paid out of the public treasury while the worker is unemployed.

accounting

When sentences are turned in for payment, it is the producer's responsibility to provide a written report of the number and type of sentences produced. Accounting reports must be provided to the bank when sentences are exchanged, and they must include 1) the number and type of sentences produced, and 2) all "subsistence tabs" received since the last time sentences were redeemed. People may be hired to perform the task of accounting, at wages and conditions to be agreed upon by the players involved. If wealth is bought or sold by private individuals, no accounting is required; the terms of such sales are by mutual agreement.

employment and rent

Players may rent out their land for a fee, or hire employees for wages--payable in money or in wealth. The rates paid for rent or for wages are to be set by agreement of the players involved.

Players who are hired for their labor are to be paid at ten minute intervals.

time

The timekeeper will mark ten-minute intervals. Salaries are due every ten minutes. Subsistence payments, and taxes on wages, are due every twenty minutes.

other forms goods & services

Sentences, either crayon/towel or pencil/paper, are the only form of wealth for which there is a constant demand (i.e. the only product that will be officially bought by the bank). However, there is no restriction on the types of items that may be produced and sold on the open market. Such items must be produced from the resources available on the producer's land. No extraterrestrial resources allowed!

Also, any service may be bought or sold by players, by mutual agreement.

rules for sentences

Sentences turned in to the bank for payment must: 1) Contain at least eight words, 2) Not repeat--a player may not write the same sentence over and over again, 3) Have normal punctuation, and 4) Be written either with a crayon on one whole paper towel or with a pencil on one whole sheet of paper. In any one transaction, a player may sell a maximum of ten sentences to the bank.

crimes

We don't like to think so, but it's always possible that somebody will try to cut some corners, take the easy way out, make a fast buck, etc....and one of the things our tax dollars go to (regrettably) is law enforcement. Perhaps we'll have a kinder, gentler simulated world. However, if any of the game moderators sees a player breaking the rules of the game, two things will happen: 1) Taxes will go up for everyone (see taxation below) and 2) The offender will be penalized by a jail term (during which he or she may not produce) of between ten and forty minutes, or a fine of between \$50 and \$500. If players think a fellow player was convicted unjustly, or sentenced too severely, they may appeal, and change the judgement by majority vote (a quorum of one third of the players present is needed).

location values

As we all know, when producers gather together, the whole is more productive than the sum of its producers. To simulate this: Any four players whose properties are adjacent to each other (in any combination; four in a line is OK) may form a **Producer Group**. Each member of a Producer Group will receive a premium price for sentences: \$15 for crayon-on-towel and \$50 for pencil-on-paper. The premium prices apply only to sentences produced from resources ON the group properties, by the group members, or their employees working on group land. A group may not get larger than five plots. However, two adjacent Producer Groups may combine to form a **Super-group**. Members of Super-groups receive super-premium prices for sentences: \$20 for crayon/towel and \$60 for pencil/paper.

taxation

The following government services are provided: 1) The provision of money and the regulation of normal commerce (i.e. the buying of sentences), 2) Law enforcement, 3) Unemployment insurance, and 4) Free public access to the wastebasket--this one is optional and must be decided by majority vote of all players. There will be a maximum of six stages of taxation during the course of the game:

1. No tax will be levied before two pencils are in use.
2. After two pencils are in use, the tax is one sentence (or equivalent in money) per each ten sentences produced.
3. If a Producer Group has been formed, one more sentence per each ten will be levied.
4. If a majority of players decide to have free wastebasket access, one more sentence per each ten will be levied.
5. If any serious crime is committed by any player (see crimes below), one more sentence per each ten will be levied.
6. If any player is receiving unemployment, one more sentence per each ten will be levied.

So, the maximum level of taxation is five sentences per each ten sentences produced. But, some of the taxes may never come into effect. Thus, it pays to consider one's role in the community!

Employees who do not directly produce sentences will be liable for tax, in money, according to the current percentage rate of taxation. For example, if a player's salary is \$30 every five minutes, and the tax rate is two out of ten sentences, the player's tax is 20% of \$30, or \$6. Taxes on salaried players will not go over 30%, regardless of the tax rate.

Taxes on salaried players are payable every twenty minutes.

EXCHANGE RATES

subsistence.....	\$50 every 20 minutes
1 sentence, crayon on towel.....	\$10
1 sentence, pencil on paper.....	\$40
to unwrap 1 pencil.....	\$150
to unwrap paper pad.....	\$100
to unwrap pencil sharpener.....	\$100
to get access to wastebasket.....	\$50
to buy pencil, pen, or paper.....	??
to use wastebasket.....	??

NOTES ON ORGANIZING AND RUNNING THE GAME

1. The Support Team

This game can be an thought-provoking and fun classroom experience. All sorts of realistic and serendipitous things can happen. (The last time we ran it in New York, one woman, whose land was resource-poor, actually made a living writing and selling poetry on her paper towels!) Deals will get made and people will get hired, with little or no instigation from the moderators.

The only drawback, though, is that the game is fairly complex, and labor-intensive. It can get chaotic. To avoid confusion, it is necessary to have a large-enough and well-enough informed support team in place. Of course, since this is a classroom game, the support team can come from the class itself.

The more players you have, the more exciting the game will be and the better it will work. I wouldn't suggest trying it with more than thirty people, though. A group of fifteen to twenty-five is probably optimum. For that number of players, I suggest the following support team:

- 1) Someone to generally be in charge, explain the rules, and help out wherever needed.
- 2) Someone to keep time. (Not a big job--but the timekeeper can also observe and takes notes to be used in the wrap-up.)
- 3) Someone to handle banking--to receive sentences and accounting reports, and handle payments. This is a big job--the timekeeper and the banker ought to sit together, at a well-defined table, somewhat apart from the main playing area.
- 4) Someone to take subsistence payments and hand out subsistence tabs. This (probably, unpopular) person can also function as a rule enforcer.

If you expect a big turnout, you might want to have another banker and/or another subsistence-taker.

2. Materials

One big advantage of this game is the commonplace materials it uses. You'll need just a few special items:

--pencil sharpeners that do not catch the shavings!

--paper money. (We used actual Parker Brothers money from the board game.) Two sets are better than one; it looks unprofessional to run out.

--some sort of price tag must be affixed to pencils, sharpeners, and paper pads in their "natural state", to show that payment must be made for their development.

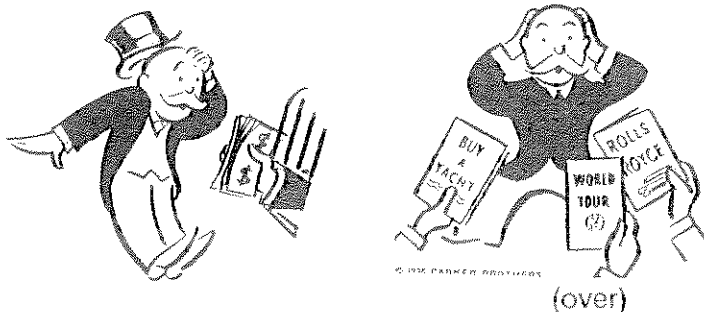
--the most convenient type of "subsistence tab" is some sort of self-sticky label; it doesn't matter what's printed on it...

3. Setup

In order to get this game to play smoothly and to illustrate the things you want it to illustrate, it is very important to match the resources with the number of players. If there are too many resources available, there will always be a frontier and everyone will have an easy time of it. If there are too few resources, you will create an impoverished economy and the players will be disgruntled.

This is an especially touchy problem because it is important to allow the best resources to be had on a first-come, first-served basis. Therefore, it is desirable to have the pencils, pads, etc. in place on the desks when the players arrive. But if you don't get the turnout you expected, things can get weird. Here are three suggestions for handling this:

- 1) Simply put the resources in envelopes and hand them to the players as they arrive. This will decrease somewhat the element of skill involved in choosing where to sit, because you will be forced to simply give the best resources to those who arrive first.
- 2) If too few people show up for the number of seats you have prepared, remove some of the extra resources before the game starts.
- 3) The real free-market meanies among you may wish to leave all the extra resources in place, and allow unlimited speculation.



(over)

Here are the kinds of properties from which players may choose, arranged from most to least productive:

- crayon, lots of towels, pencil, pad of paper
- crayon, lots of towels, pencil OR pad of paper
- crayon, a few towels, pencil OR pad OR sharpener
- just pencil AND pad
- crayon, lots of towels
- just pencil OR pad OR sharpener
- crayon, a few towels
- crayon, a few towels, wastebasket (highly productive, but ONLY ONE per game)

You can vary the numbers of towels and sheets in the pads to really fine-tune the process.

Some trial and error is necessary, but the more this game is played, the more we'll know about how to set it up. (So let's keep a dialogue going about this, OK?) Here are some general rules of thumb:

- There should be one pencil and one pad for each four or five players.
- There should be fewer sharpeners, usually only two or three--the sharpeners thus having more potential for monopoly value.
- Accordingly, sharpener land should not be rich in pencils or paper.
- We have experimented with laying out various areas in the room, such as agricultural (crayon-towel), mineral (sharpener/wastebasket), or industrial (pencils and paper). The results have been inconclusive, but I would still like to try it with a bigger group. The "location value" rule is new and hasn't been played yet, but what I'm hoping is that it will give rise to a self-defined urban area within the game.

4. Rules and Gameside Manner

The chief game moderator should reserve the right to make minor changes and clarifications in the rules as the game progresses. The reason for this is that you will probably be dealing with a group of people who haven't grasped all the rules, and undue aggravation can be avoided without overly diluting the game's authenticity. The main area of confusion (not surprisingly!) generally is in

the area of taxation--and sometimes, well...the moderator may want to fudge slightly in the interest of harmony.

Rules disputes among players can often be handled by taking a quick vote by a show of hands.

Be cognizant of people who are confused. Sometimes the game moderator can step in and arrange a deal between two players, or suggest an alternative someone has missed. This is, of course, a slap to the invisible hand of the market, but hey, we're all friends here.

Naturally, the amount of kindness and helpfulness you display toward your players depends on the group you're working with. If you want to be hardnosed and scientific about it, the game will play itself just fine without such kindnesses from the gods.

Community Chest

**ADVANCE TO GO
(COLLECT \$200)**



**let us know how it worked
out for your group!**

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