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**Too Close to the Money**  
- A Theory of Compulsive Gambling

In gambling money is seduced, deflected from its truth. Having been cut off from the law of equivalences (it "burns") and the law of representation, money is no longer a sign or representation once transformed into a stake. And a stake is not something one invests. As an investment money takes the form of capital, but as a stake it appears in the form of a challenge. (Baudrillard, 1979: 139)

The most obvious risk from gambling is losing one's money.<sup>1</sup> However, when a gambler bets \$1,000 on the outcome of the roulette wheel, the roll of a die, or the result of a horserace, there is more to it than simply putting a given amount of money at stake. In gambling, money is lifted out of its ordinary circulation in the capitalist economy and led astray into a universe of chance. Thus the very concept and meaning of money is challenged. For most people, gambling is just a curious diversion from everyday life, a compartmentalised activity in their lives in capitalist society. But for some people, the experience of winning or losing, seeing money ebb and flow at the whims of chance, has such traumatising effects that their very being as subjects of capitalist society is distorted. They become compulsive gamblers.

This article explores the role of money in gambling and in the development of compulsive gambling. It shall be demonstrated that money serves an ideological function as 'the sublime object of capitalism'. What happens in gambling is a form of de-sublimation of money. The status of money as a bearer of special symbolic meaning is undermined, and the gambler's entire economy of desire, structured around money, implodes.

The argument of the article builds on the theories of Marx, Lacan and Žižek, and the proposed theory of compulsive gambling is discussed in relation to existing empirical studies of the disorder.

## What is gambling?

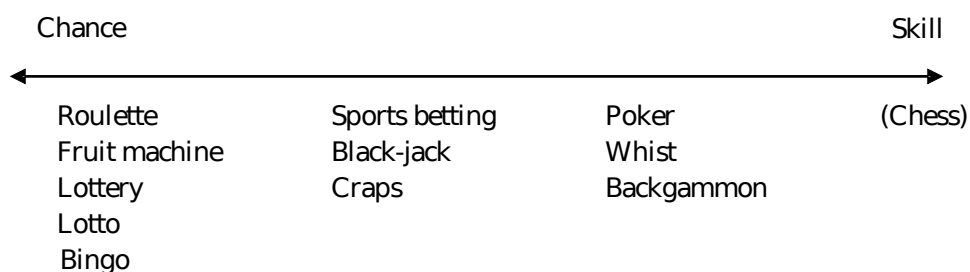
Poker, black-jack, roulette, craps, slot machines, betting on horses, betting on football, betting on dogs, bingo, lotteries, lotto. The list of forms of gambling seems to be endless. We will start our analysis by identifying the very basic components of gambling across its various forms. A crucial distinction in the definition of

gambling is the difference between games of chance and games of skill (Reith, 1999: 93-4).

Roulette, for instance, is a game of pure chance. The likelihood of winning is totally independent on the player's skills. The gambler has no influence on the outcome of the game, and he can have no prior knowledge to optimize his betting strategy. Contrary to the belief of many gamblers – problem gamblers in particular – there is no way of being a good or a bad roulette player. You can be a lucky roulette player. But factually speaking luck is only a *post factum* ascertainment that the round turned out to your advantage. The next round is a new game and luck in the previous round does not have any influence on the chances of winning this round. The same goes for slot machines, bingo, lotto, lotteries and other games of pure chance.

While it is impossible to be a better or worse roulette player, it is possible to be a good poker player. And it is possible to be a very bad one. In poker, an element of chance is involved in dealing the cards. But once the cards are dealt it is possible for the individual player to improve his chances of winning by playing his hand optimally. *"You have to know when to hold'em / Know when to fold'em,"* sings Kenny Rogers in his famous song about *The Gambler*. But even the best poker player cannot eliminate the element of chance in poker completely, whereby it remains a gambling game regardless of the player's skills. Other games in this category are whist and backgammon.

**Figure I:**



We may order the different forms of gambling in a continuum according to the degree of chance involved (figure I). At one end we have roulette, lotto, lotteries, gaming machines and other games of pure chance. At the other end we find games that combine chance and skill, such as poker, whist and backgammon. Between these two points we find sports betting, black-jack and craps. These games involve some degree of skill and knowledge but they are played against 'the house', thus giving the player less possibility of being in control of the game than, for instance, in poker.

At the very end of the figure we find chess. When chess is played by skilled players, the degree of chance is reduced to such a minimum, that we may no longer speak of gambling anymore.

Any type of gambling may lead to pathological problem gambling. Still, there seems to be a tendency for problem gambling to occur in connection with games of

pure chance rather than games involving skill. Several research projects point to gaming machines as the most commonly preferred form of gambling among pathological gamblers (Jørsel et al., 1996; Becoña, 1993; 1996; Abbott and Volberg, 1996; Black and Moyer, 1998; Nielsen and Røjskjær, 2005). In the following, I will primarily be considering games of pure chance.

So the first criterion for gambling is for the game played to have an element of chance that cannot be eliminated by possible player skills. But gambling has a further and equally crucial element: money. Anyone who has ever played roulette for matchsticks knows the difference money on the table makes.

Money in gambling is a medium for registering the players' involvement in the game (Reith, 1999: 146). Money ties the gambler to the game. It is the money that puts the player at stake. In the Middle Ages we find numerous examples of players continuing their gambling despite having lost all their money. Instead they put themselves and their freedom at stake, risking ending up as the winner's slave (Jørsel, 2003: 28; Reith, 1999: 48). The contemporary equivalent is the gambler who builds up gambling debts with increasingly more dubious creditors, until he ends up in a slave-like relationship to hard criminals, who force him to commit crime to pay off his debts. The money functions as the player's representative in the game, and when the money runs out, the player himself must take the place of the representative.

We have now identified the two essential elements of gambling: chance and money. In the following we will see, in accordance with the theoretical perspective of Lacan and Žižek, how money may be conceived of as part of the symbolic order, while chance is a manifestation of the Real. Let's take the money first.

## Money is never just money

Money is rarely just money. Money functions as measure for value, which may be applied across various social and cultural settings. It is also ascribed all different kinds of meaning in different contexts.

A crucial distinction in Marx is the distinction between money and capital (Marx, 1867: 161-91). Money is the symbolic expression of the commodity's value. But money takes on a different character depending on the form of circulation in which the money (M) and the commodity (C) enter. The immediate circulation of commodities has the form C-M-C. I have a sack of potatoes, sell it for \$100, and for these \$100 I purchase a sack of flour. The circulation starts with a commodity, the potatoes, and ends with a commodity, the flour, while the money is just a neutral intermediate for the exchange.

However, another circulation, with the form M-C-M, is also possible. I have \$100. For this \$100 I purchase a sack of potatoes, which I then sell on for \$110. Both the starting point and the ending point for this circulation is money, while the commodity is only an intermediate. The two points are not qualitatively but only quantitatively different, since I have increased my balance by \$10. In this circulation, where

the purpose is not the use-value of the commodity (I need flour to make a bread) but the increase of my balance, money has taken on the character of capital. In contrast to money, capital is an active element capable of generating value from itself: 'It brings forth living offspring, or, at the least, lays golden eggs', as Marx so vividly describes it (1861: 255).

Hidden in the circulation of capital lies a certain premise, which Marx deserves credit for having revealed. Capital's production of surplus-value is possible only under the condition that we find on the market a commodity, whose use-value is to generate value. This commodity is of course labour. I purchase five hours of labour from the baker for \$100. During this time he is able to convert my sack of flour into 100 loaves of bread that I may then sell for \$300. The baker has increased the value of my flour from \$100 to \$300, and I have made \$100 on my investment after the baker's salary has been paid. In this way, the surplus-value in the circulation of capital seems to be coming from nowhere. It is produced by the baker (the worker), who is then cunningly exploited by me (the capitalist).

If we apply the Lacanian distinction between the symbolic and the Real, we may see both the immediate circulation of commodities (C-M-C) and the circulation of capital (M-C-M) as taking place exclusively within the symbolic order. Money and capital are in themselves symbols. And both commodity and labour enter the circulation only insofar as they have been ascribed a symbolic identity according to their place in the circulation. In other words, they are only commodity and labour because they are socially constructed as such. A commodity becomes a commodity only when it is valued and offered on the market.

Lacan describes the relationship between the symbolic order and the Real as one where the chaotic, meaningless and irregular Real is cancelled out by the operation of symbolisation. 'The letter kills' (Lacan, 1964: 848). This is exactly what is happening in both circulations. The chaotic pulsation of the Real is substituted by symbolically recognisable entities, which then circulate in a relatively structured and regular fashion. Lacan illustrates the move from the Real to the symbolic by means of a small game (Lacan, 1966). By tossing a coin 10 times a random sequence of heads and tails is produced. We may get the following result:

**Figure II: Series of Tosses**

1	2	3	4	5	6	7	8	9	10	Toss No.
H	H	H	T	H	H	T	T	H	T	Heads/Tails

In the first instance this sequence is a purely chaotic, irregular and meaningless manifestation of the Real. Now we organize the individual tosses into overlapping units of three, i.e. No. (1,2,3), (2,3,4), (3,4,5) etc. and these aggregate units are symbolized according to the following rule: (HHH, TTT) = ( $\alpha$ ); (HTT, THH, TTH, HHT) = ( $\beta$ ); (HTH, THT) = ( $\gamma$ ). Hereby a new sequence is generated representing the original sequence of heads and tails:

**Figure III: Symbolic Chain**

1	2	3	4	5	6	7	8	9	10	Toss No.
H	H	H	T	H	H	T	T	H	T	Heads/Tails
		$\alpha$	$\beta$	$\gamma$	$\beta$	$\beta$	$\beta$	$\beta$	$\gamma$	Symbolic chain

While the outcome in the sequence of individual tosses is off course still completely random, the symbolization has introduced an element of regularity and order in the symbolic chain. Certain successions have been made impossible and others necessary. For instance,  $\gamma$  cannot follow immediately after  $\alpha$  since this would imply a shift in the row of tosses from heads to tails or vice versa. And such a shift would generate the unit  $\beta$  between the two other units. Another example is the fact that between two  $\alpha$ -units, there must necessarily be an even number of  $\beta$ -units.  $\beta$  symbolises a shift in the series from heads to tails or, vice versa. If there have been three heads in succession, there will have to be 0, 2, 4, 6 etc. such shifts before we can come back to three heads in succession again. Lacan's point with the model is to show how order and regularity emerge *ex nihilo* from the symbolisation of the pure randomness of the Real, even though the symbolisation might initially appear to be an 'innocent' recording of real events. '[W]e see separate out from the real a symbolic determination which, as faithful as it may be in recording any partiality of the real, merely produces all the more clearly the disparities that it brings with it' (Lacan, 1966: 51).

Is not this exactly what happens in the capitalist process of circulation? Cannot capitalism be described as an order symbolising the Real in a way that imposes a certain regularity with certain possibilities and impossibilities on reality? Something is defined as commodity, something as labourer and something as capitalist. M-C-M is comparable to the symbolic chain in the model above. Just as  $\alpha$  and  $\gamma$  could not stand next to each other, certain impossibilities are inscribed in the circulation of capital. For instance, the barter economic transaction C-C, trading one commodity for another without money as an intermediate, is not possible within the capitalist circulation. If such transactions nevertheless take place in practice, they happen outside of the institutionalised capitalist economy.

The capitalist symbolic order institutes certain regularities that are not present in the Real beforehand. The regularities pass by names like 'the law of demand and supply', 'market forces' or 'the invisible hand of the market'. On the basis of these regularities it may be calculated which sequences follow from each other and which do not. The capitalist may calculate that when he buys the labour of the worker at a price below the use-value of the labour (M-C), he may sell his commodity at a profit (C-M'). However, the worker, having nothing but his labour to sell, cannot generate any surplus-value for himself as long as the exchange-value of his labour is below the use-value. So C-M'-C is impossible. The capitalist can be relat-

ively sure that his investment will yield a profit, and the worker can be relatively sure that he will be exploited.

However, the relationship between the Real and the symbolic also has a dimension other than this operation of social construction. Parallel with the Real being cancelled out in the process of symbolisation, the Real retains a crucial and constitutive function for the symbolic order. The symbolic order is not able to sustain itself purely by its own means. In the final instance, it is dependent on a 'piece of the Real':

For things to have meaning, this meaning must be confirmed by some contingent piece of the real that can be read as a 'sign.' The very word *sign*, in opposition to the arbitrary mark, pertains to the 'answer of the real': the 'sign' is given by the thing itself, it indicates that at least at a certain point, the abyss separating the real from the symbolic network has been crossed. (Žižek, 1991: 32)

This piece of the Real is produced within the symbolic order, but at the same time incarnates a surplus of meaning not entirely reducible to operations within the symbolic order. The Real appears as a form of immanently produced transcendence, which in an almost Gödelian sense makes the symbolic order possible at all. In the process of symbolisation something is 'left behind', only to be found again later as something beyond symbolisation guaranteeing the whole operation. The Real is highly paradoxical insofar as it is simultaneously inside and outside of the symbolic order. By being dependent on the Real, the symbolic order is in itself also paradoxical. The relationship between the two, and the realisation of both of them, is secured by ideology. "'[I]deology" is the "self-evident" surface structure whose function is to conceal the underlying "unbalanced", "uncanny" structure' (Žižek, 1997: 82). We shall see how this applies in the case of capitalism.

Profit appears as a special object in the circulation of capital insofar as this is the object towards which the capitalist directs his desire. This is the very object that determines him as a capitalist and a desiring subject at all. In other words, profit is the sublime object of capitalism. At the same time, it is also a dead spot in the capitalist symbolic order. To both the capitalist and the worker (as well as the economists and philosophers Marx is debating) it is intransparent, where profit is coming from. The worker lives in a state of false consciousness. He hasn't looked through the real class relations and hasn't realised that the capitalist's profit is generated through his own exploitation. But not even the capitalist is fully aware - as conspiracy theorists like to think - that profit is produced through a simple relationship of exploitation. The capitalist is as much inside ideology as the worker. The argument for this is found not in Marx, but in Weber.

In his famous analysis, Weber shows how Protestantism and capitalism converge in the belief that prosperity in economic life is a divine sign of predestination for salvation (1905). The protestant (the capitalist *in spe*) conceives of profit as an 'answer of the Real' (Žižek, 1991: 29-32) endowed with a special meaning by far tran-

scending the raw monetary value of profit. In this way, profit not only determines the self as a particular being, a capitalist, it is as if the profit bears a message that there is a higher power able to see something in the self, which is more than itself. The capitalist self gets the feeling that 'God has spotted that very special thing about me, which makes me predestined for salvation. He has spotted that something, which I myself can hardly recognise!'

The conception of profit as an answer of the Real is not just reminiscent of Protestantism, from which capitalism over time has freed itself by evolving into a purer and more complete form. The imaginary projection does not have to have such explicit religious content as in Weber's analysis, but in the capitalist desire for profit there will always be more at stake than a pure desire for money. Money is never just money. Even today we find everywhere the idea of wealth as a sign that one is somehow a special person. It may be on account of one's merits, hard work, inventiveness, talent, ancestry etc. All these are qualities which distinguish you individually as something special. The market is ascribed the ability to spot that in ourselves, which is more than ourselves, and which we can hardly spot ourselves. The preservation of the belief, that the market distributes the goods of society on account of our real qualities as persons and not on behalf of processes internal to the symbolic order, is a necessary precondition for the preservation and legitimisation of capitalism as such.

This kind of ideological manoeuvre presupposes that we keep a certain distance to the object. Were the capitalist and the worker fully aware that profit emerges from a structural imbalance in the circulation of capital between the worker's salary and the use-value of his labour, and that their own position in the circulation as capitalist and worker respectively is more or less coincidental, then the illusion of profit being a divine sign of eternal salvation or some other kind of answer of the Real would not be possible.

In contemporary advanced capitalism, the belief in money as bearer of special meaning may, as Žižek points out, assume the form of 'cynical distance' (1989: 28-33). Even though we may on an intellectual, critical level be aware that money is distributed in society according to structures of unjust exploitation or other arbitrary principles, on the fundamental level of fantasy, the illusion of money as an answer of the Real is still intact. Thus cynical distance is not a deconstruction of ideology, but simply yet another way of keeping the required distance to the object in order for the fundamental illusions of ideology to be preserved.

## Money and gambling

Even though capitalist ideology is very inventive in developing new means of self-preservation, it is possible to identify minor implosions in capitalism, where the sublime object of money is desublimated. Gambling is just such an implosion.

As we have seen, money changes its character according to the way it circulates. Hence the movement from the simple circulation of goods to the circulation of capital is a movement from money to capital. Gambling is a third type of circulation in which money assumes a wholly different third character.

What kind of a transaction is actually taking place when the roulette player places \$1,000 on red? You might think he is buying a commodity in the form of entertainment and excitement. In this way the transaction would fit nicely into the general capitalist circulation with the consumer (the gambler) purchasing a commodity (the gaming experience) from the capitalist (the casino). Within the general capitalist framework, one might also think that the gambler is making an investment in the expectation of a future profit, and in this way is almost acting as a capitalist. Although not entirely invalid, neither of these conceptions seem to catch the very specific characteristic about gambling as a money transaction.

When the roulette player bets his \$1,000 on red, he buys absolutely nothing. He does not buy no thing, but nothingness itself. What the roulette wheel, the fruit machine or the dice do is to create an opening in the symbolic order where the Real may be confronted directly. In this very opening the gambler places his money.

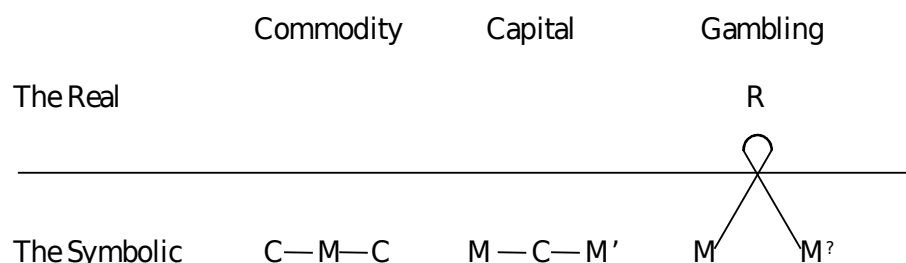
In the construction of the Lacanian model above, the randomness of the toss of the coin is transformed into regularity in the symbolic chain. This construction is not a direct and immediate symbolisation of the coin tosses. It involves a number of intermediate calculations in which the tosses are grouped into overlapping trios, and then grouped and symbolised as  $\alpha$ ,  $\beta$  and  $\gamma$ . It is these intermediate calculations that introduce the regularity. They function as a membrane between the Real and the symbolic. A similar procedure is at work in the symbolic order of capitalism, where certain regularities are also introduced via ingenious intermediate calculations, e.g. that the worker is paid for the exchange-value and not the use-value of his labour.

In gambling there are no intermediate calculations and therefore no regularity. The circulation of money in gambling may be formalised M-R-M, where R=the Real. The gambler buys a little piece of the Real, which in itself is nothing but the hard rock of the Real<sup>2</sup>, and therefore almost instantly ricochets him back into the symbolic order as either winner or loser.

We saw how both the simple circulation of commodities and the circulation of capital are taking place exclusively on the side of the symbolic order. The characteristic of gambling as a circulation of money is that it crosses this line (figure IV). The circulation performs a small loop where it connects to the Real in a very direct and obvious fashion. Money is not tied to a symbolic entity in the form of a commodity, but directly to the Real in form of chance. At the same time, this means that there is no regularity in the way profit is generated and distributed. It can

either emerge out of nothing or disappear into nothing. And it is impossible to predict, when it will do one or the other.

**Figure IV: Forms of Circulation**



Gambling is a direct confrontation with the Real, without the protective filter of regularity which the symbolic order of capitalism otherwise provides. To gamble is to turn off the 'social firewall'. The difference between gambling and capitalism may be illustrated by the previous Lacanian model (figure III). The capitalist's investment in the workers' labour is comparable to a bet that  $\gamma$  will not follow immediately after  $\alpha$  in the symbolic chain in the lower row. In contrast, the gambler's bet on red at the roulette table is like putting money directly on the outcome of the coin toss in the middle row. In contemporary society, the difference between capitalism and gambling is only one of degree, and this difference is often blurred. On the stock market, for instance, chance obviously plays a significant role in the circulation of money, and the outcome of certain investments is not immediately predictable.

This is the basic structure of the circulation of money in gambling. In the following we shall see how the gambler perceives and understands the game.

### When dice play God

Next to money, chance is the other fundamental component in gambling. Even though we may treat it as a matter of course in our daily lives, once we start contemplating it, it quickly ceases to be just that.

In a society where there is belief in an almighty God, or other magical forces, there is no room for chance. Every event in the world is perceived as an expression of the will of God and therefore contains a meaning to be decoded as a message from the transcendent divinity (Reith, 1999: 13). In societies without chance, 'technologies of chance' may be used as a means to communicate with the divine. Evans-Pritchard reports how, in order to get guidance on an important decision, the Azandes decapitate a chicken and then interpret messages in the pattern drawn on the ground by the sprayed blood (Evans-Pritchard, 1937). We also find numerous examples of priests or shamans throwing sticks or bones, in order to then read answers from the gods in the way they land (Reith, 1999: 15). And the first gaming