Developments in Business Simulation and Experiential Learning, Volume 26, 1999 SIMULATION OF GOVERNMENT: A WORKSHOP USING GEO

Precha Thavikulwat, Towson University Jimmy M. T. Chang, The Hong Kong Polytechnic University

ABSTRACT

This workshop is intended for those who teach international business, or are involved with validation and assessment. It centers on GEO, a computer-assisted international business gaming simulation that captures the essence of government in an international context. The ideal application is in courses with three or four parallel multiple sections, wherein each section constitutes a simulated nation with its own government. The ideal run length is for an entire term.

THE GAMING SIMULATION

GEO is a local-area-network based continuously running computer-assisted international business gaming simulation that allows individual participants to cast votes that can change governmental fiscal, monetary, industrial, and trade policies. The gaming simulation can be dynamically configured to give any participant or group of participants any number of votes, from 0 to 255, for any combination of 24 policy parameters. Because of this flexibility, governments can be set up as pure democracies, with each participant having one vote; as pure totalitarianisms, with only one participant able to vote; or as something in between, with some participants having more votes than other participants. Moreover, the proportion of votes required to change a policy, and the extent to which policies can be changed in any one period, also are dynamically configurable.

Unlike most other computerized gaming simulations, the buying and selling of products and shares as well as the employment of executives in GEO are real activities executed through the computer program. Product, stock, and employment markets are all gamed, not modeled. The program maintains lists of ask and bid offers for both products and shares, and executes trades whenever asking prices are equal to or below bidding prices. Companies needing executives hire them from among the participants. The program forestalls dishonest dealings, and accounts for taxes, tariffs, subsidies, and the exchange of currency.

Participant scores are objective, and based on consumption of products made by companies created by the participants themselves. No "dirty work" of manufacturing the products is required. The computer program automatically manufactures products when a company is formed, executives are hired, and required resources have been purchased. Because scores are based on consumption rather than production, participants associated with a successful company will score well only if they place themselves in the position to be rewarded for their company's success, either by having bought the company's stock or negotiated high salaries for their services.

CONCLUSION

The gaming simulation supports teaching, gives data for research, and supplies scores that may be used for assessment. It does require good computer support, and time sufficient for the long-run consequences of government policies to become evident.

The workshop will cover the installation of software, registration of participants, formation of political parties, election of governments, and retirement of participants demonstrating exceptional performance. Teaching points that may be incorporated into the exercise will be presented.