The Video Game Crash of 1983: Crash Course Games #6

Crash Course: Games
https://youtube.com/watch?v=x4F_sZiAl7s
https://nerdfighteria.info/v/x4F_sZiAl7s

Hi, I'm Andre Meadows, this is Crash Course Games, [talking like a Valley Girl] and today, we're totally talking about the 1980s. Like for sure, gag me with a spoon.

The 80s were kind of a big deal when it comes to video games. And hairspray. And breakdancing. But this show is about games. In the 1980s video games really became a big business, as arcades and home systems became more of a worldwide cultural thing. But it's not all good news, high scores and buckets of beautiful, shiny quarters. There's some tragedy, too. In the 1980s, the video game industry had a Boom, but then it had a Bust. [Theme Music] Let's start with the Boom. In the early 1980's Atari, Coleco, Mattel: they were selling a lot of video games and consoles. It was kind of a golden age of gaming. By 1982 there were an estimated 24,000 arcades and 1.5 million arcade cabinets in the US. A 1981 Time article reported 20 billion quarters were going into these machines to buy 75,000 hours of playtime. Video weren't toys and hobbies anymore. They were popular culture. They were on TV, they were in magazines, and in movies like War Games and Tron.

While there were a lot of arcade and console games being produced in the early 80's, a few huge, influential hits dominated the arcades, and informed the game design of the day. Like this guy right here, Pac-Man [waka waka waka waka]. Namco's Pac-Man, who was called Puck-Man in his home country of Japan, was designed by Toru Iwatani. And if you want to know why they changed it from Puck-Man to Pac-Man when it came to America, uh, watch Scott Pilgrim Vs The World - has a whole scene that explains it.

Anyway, Pac-Man with his power pellets and ghost monsters went onto become the first video game character with a TV show. I used to watch the Pac-Man cartoon. He even had toys, lunch boxes, all that merchandise stuff. This expanded the ways games could earn revenue. Pac-Man also revolutionized game design with the addition of the world's first video game cutscenes, which were place to give players' wrists a break and to advance the story, although it wasn't a very deep story. Although I did like that part where Pac-Man goes off screen and he comes back really big! [sings the Pacman theme music]

A sequel to Pac-Man, Ms. Pac-Man was another huge hit, and Ms. Pac-Man was the first female protagonist in a game. The game built on a lot of what made its predecessor so popular. The game improved the play from Pac-Man, and improved on the cut scenes of the original, including a love story. Act 1: they meet. Act 2: the chase. Act 3: Jr. [Boop boop] Jr Pac-Man of course got his own game too.

There were so many awesome arcade games of the 80s, Q*bert, that's my personal favorite, Frogger, Burger Time, Joust, but the biggest of the big 1980s games was the tale of barrel throwing, girl-friend kidnapping ape by the name of Donkey Kong, created by Nintendo's Shigeru Miyamoto, who would later create Mario, Link, and Pikmin. Miyamoto chose the name Donkey to convey the idea of stubbornness, and added the Kong of course to evoke famous giant ape movie star, King Kong... Donkey Kong!

The game was the classic tale of a carpenter/woman/gorilla love triangle. It was hard to play, but it was fun to play and it was a massive hit. Nintendo sold 60,000 cabinets and made $180 million on Donkey Kong by the middle of 1982. Donkey Kong and other games of the early 1980's also saw the birth of competitive video gaming, which would have an enduring effect on the industry. Let's go to the Thought Bubble.

As video games became a fixture of pop culture, elite players began to emerge, so it was only natural that they'd start to compete. Contests and high-score competitions became common, and they weren't just for the stereotypical teen boy video gamer. For example, Doris Self set the Q*Bert world record in 1984 at the Twin Galaxies Video Game Masters Tournament at the age of 58.

But this kind of marathon play wasn't what game designers originally had in mind. Games like Pac-Man and Donkey Kong were intended to give players a few minutes of play time, and then make them pay another quarter to play again. Elite players' skills allowed them to play games all the way to the end. It was something designers hadn't planned for. Many of the most popular games didn't even have endings. The programming would just eventually break, in what players called a kill screen.

Pac-man for example, famously broke on level 256, thanks to a limitation to the 8 bit memory space. In Donkey Kong, players could go as far as level 117, at which point the game randomly killed poor Jumpman, aka Mario off, leaving his quest to save Pauline tragically incomplete.

Players at home were also becoming more skillful, and wanted a stronger feeling of achievement from their gameplay. So companies like Activision responded by rewarding players with real world prizes. Players who mailed in a picture of a high score from an Activision game were mailed an embroidered patch. Players would then sew these onto their clothing and show off their skills. Being good at video games had literally become a badge of honor.

These achievements weren't just about making players feel good though. They were also a powerful marketing tool. Competitive gaming and the bragging rights that came with high scores were an important part of creating a culture around gaming, and they also drove a lot of sales. Thanks, Thought Bubble.

So it's cool to see all these competitive and elite gamers, but increasingly sophisticated players meant that games needed to become more sophisticated and interesting as well. That meant the 1980's also saw huge leaps in terms of game design. Take for example Defender by Eugene Jarvis and Larry DeMar, is recognized as one of the first "hard-core" games. Many employees at Williams, the company behind the game, thought it was too difficult, but the designers wrote the game so that even the most skilled player couldn't break it by being too good.

But Defender's difficulty didn't hurt its sales. It may have even enhanced them. It sold over 55,000 cabinets, and according to GameSpy magazine, the game earned over a billion dollars by 2001. It seemed like gamers wanted challenging games. And Defender was also technically innovative. It was one of the first scrolling shooter games, and it introduced the idea of a minimap. Then of course there was Centipede. You all remember Centipede. Centipede would come down, you would roll that trackball around and the ship would move. [Pew Pew Pew]

Centipede was created by Ed Logg and Dona Bailey, who was one of the few women among early video game programmers. Dona Bailey said, "I really wanted it to look different, to be visually arresting." And visually arresting it was. Not only was Centipede a popular game, but it had a significant female audience. Gaming in the 80s was becoming more of a universally accepted form of entertainment for everyone. E for everyone. Oh wait that's... that's later.

So, game designers were innovating to capture different markets in the arcades, but they were also beginning to recognize and design for the very different experience of playing games on a home console.

In the early days of console gaming, most of the titles available were ports of arcade hits that attempted to recreate an arcade

experience at home. Activision's Pitfall was not one of those games. It was released on the Atari 2600, and was designed as a longer, more complex experience. The game was written to last 20 minutes, which was much, much longer than other games of the time. Pitfall changed the pace of games. It established the home console market as a place for games people spent significant time with, and connected with in a way that was difficult than with an arcade game.

So this is where we get to the Bust, which some people call "The Great North American Video Game Crash of 1983." But, we're going to continue to call it the Bust. The early 1980s were a time of innovation and growth in the video game industry, but those years were also pretty unstable.

Lots of emerging industries experience a sort of "wild west" situation in their early years. Think back to the thrilling early years of the washing machine industry. What is that, even? Video games were no different. Video games were popular, and they were new, and not everyone understood them very well. It seemed like a sector where easy profit could be had, and lots of companies wanted to get into the market.

The problem is, small companies didn't have the resources to create quality games, so they started cranking out terrible products, and large brands tried to jump on the bandwagon with some really terrible games that blurred the line between games and marketing. Quaker Oats bought a video game division. Quaker Oats. You make oats, Quaker. Not video games.

And brands that had no connection to video games commissioned terrible, terrible games just to promote their products. Aficionados of Purina's Chuck Wagon brand could send in proofs of purchase to get this beauty, Catch the Chuck Wagon. I'm not sure who this game was for, as most of Chuck Wagon's most loyal customers are dogs.

And not only did consoles have to compete against each other, they also had to compete against home computers like the Apple II or Commodore 64 here. You see video game consoles had one function, entertainment, but computers were multi-functional. So that was their selling point. We could be your word processor. We could be your spreadsheets. And also we can play video games. That further crowded the market. So all those consoles plus home computers contributed to the sense that there were just too many systems to choose from.

For example, Frogger could be played on 8 different home systems, in addition to the arcade options. Atari, the industry's biggest player wanted to retain market share in the face of all this competition, and their solution was to rush games through development. That was not a good solution.

Games that should have taken 6 months to create were instead created and released in 6 weeks. The home version of Pac-Man was so bad that the public returned the cartridges back to stores. Pac-Man - one of the most popular video game characters of the 80s. In 1983, Atari lost nearly $500 million, and was bleeding around $2 million a day. The company cut its workforce from 10,000 employees to 400.

And this leads us to the quintessential bad game of the Bust. A movie license of Spielberg's E.T., the Extraterrestrial. Atari paid $21 million for the rights, but only spent 5 weeks making the game, and it was terrible. It's been accurately called one of the worst games of all time, and many people even blame it specifically for the video game bust. The public was starting to lose confidence in the gaming industry.

Five million copies of E.T. were manufactured, but only 1 million sold. The rest of the cartridges wound up buried in a landfill near Alamogordo, New Mexico. The Great Crash was sort of like the Cretaceous-Paleogene extinction event, except there was no giant meteor hitting the Earth - instead really bad games hitting consoles. The ColecoVision, Intellivision, Odyssey systems all disappeared.

While the video game industry was devastated by the crash, a few companies did survive the carnage. In the late 1980s, one of those survivors from Japan, the Nintendo Corporation, would rise to dominate the industry. Nintendo did this by correcting many of the mistakes of the gaming industry's past. Nintendo's consistent focus on quality and player experience would take the company to the forefront of the industry. But we'll talk about that next week. Oh yeah, Nintendo's getting its own episode! Stan Muller: Crash Course Games is filmed in the Chad and Stacey Emigholz Studio in Indianapolis, Indiana and it's made with the help of all these nice people. If you'd like to keep Crash Course free for everyone forever, you can support the series at Patreon, a crowdfunding platform that allows you to support the content you love. Speaking of Patreon, we'd like to thank all our patrons in general and we'd like to specifically thank our High Chancellor of Knowledge, Morgan Lizop, and our Vice Principal, Michael Hunt. Thank you for your support.