



Materialism's Capital in Online Gaming:

Living in a Virtual World

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The difference between a virtual gold coin and a real, tangible penny has become shockingly small. Only that now, the virtual coin may actually be worth more than just one penny. Bob Dylan sang, “the times they are a-changin’,” and indeed they economically are, fueled by mass multiplayer online role-playing games such as World of Warcraft and the gamers who subscribe to them. Think of our present economy as a multilane freeway. In the slow lane we have the basic, analog market. These are small businesses typically only found brick-and-mortar, ranging from grocery stores to pharmacies to local shops. Without an online presence, they are increasingly becoming the dwindling car with the flat tire. Look to the far left, carpool lane, and there are the massive multiplayer online role-playing games, or “MMORPGs.”

MMORPGs are a totally digital market, where transactions and assets exist only in the digital realm. This economy which used to operate wholly on virtual trades, goods, coins, and cash while online has, for the past ten or so years, included RMT, or Real Money Trade (Park & Lee, 2017). Gearing up for the next raid or dressing your avatar has never been easier when you can make in-game purchases with your Citibank account. But why are gamers spending their actual money on assets that they will never tangibly possess, and how is this changing both the economic market and property value? As virtual assets become real, valuable commodity, how are online gamers protected against theft, and their equity for inheritance? MMORPGs have marked an evolution of material worth, where tangibility is no longer a requirement and people are endowing deeper personal and monetary value to their online identities.

The first big MMORPG was launched in 1995, then commercially released later in the fall of 1996. It was named Meridian 59, a title evoking both timeless fantasy and a new, emerg-

ing online world. Set in a mythical realm, players could fight monsters and ‘go on’ adventures for a monthly subscription. A year later in 1997, the second MMORPG, Ultima Online, was released to the public. These early games acted as a catalyst to what is commonplace today; individuals’ real, other existence online. In Floridi’s book, *Information*, he redefines what it means to exist to better fit modern culture: “To be is to be interactable, even if intangible,” (Floridi, 2010, pg. 12). Our antiquated perceptions of what *is* as something possessing physicality is no longer relevant. Objects, worlds, people, can exist through a virtual form and still have real-world weight. Today there are a number of MMORPGs, some of the most popular being World of Warcraft, Final Fantasy, and Second Life. While many of these MMORPGs appeal to a wide age range, other games such as Habbo Hotel and Disney’s Toontown target younger players. All of these MMORPGs now involve real currency in some way, whether you pay-to-play or pay-as-you-go for special items or access to other territories. But the emergence of real economic value in these games could not have surfaced without the first foundations of intangible capital: personal identity and friendship.

This initial step into virtualization occurs with the construction of an avatar and is perhaps the closest connection the player has to a game’s environment. The avatar becomes the brazen emblem of individuality and assumes its player’s full identity while existing online. A player’s input into an avatar is understood as a reflection of their personal self-conception; typically, a combination of real and ideal elements are used in an avatar’s creation, and in cases of lower self-contentment the avatar takes the form of the player’s own aspiration (Bessière et al., 2007).

Operating through a customized avatar also allows users to aim at creating an alternative identity altogether. In a recent study focused on the MMORPG Final Fantasy XIV participants' characters, 63.4% of participants were male. When assessing avatar preference, the researchers found that nearly 60% of the avatars created by participants were female and of non-human race (Liao et al., 2017). The conception that you can be anyone online is easily realized within these online games and their virtual worlds. Identities born from MMORPGs provide users the opportunity to explore other possible incarnations of themselves that are not always accessible in the tangible world. Avatars contain inherent value before the game even begins. Of course, once playing an MMORPG the avatar would be helpless without accessories and personal assets, so the player must get to work.

The avatar opens the door to online existence, and user attachment deepens both to their character and to playing through making social connections. This is typically done through participation in group raids— battles against monsters and other opponents— and item-seeking quests. Players connect online similarly to ways in the real world, usually either with friends or through belonging to the same guild (essentially a sub-community), and then expanding their network the longer they play (Chen, 2008). Building a strong network and community helps a user find more valuable items and aiding in their overall progress in the game. Again, the avatar's importance is recalled: the stronger the bond between player and avatar, the more likely the player will form valuable bonds with other users (Zhong & Yao, 2013).

Teamwork is largely important in MMORPGs, especially for a player starting out with a new or low-level character. Interacting with other avatars provides a sense of social satisfaction for the user, while simultaneously making allies to team up with for later raids. Following this

strategy, more socially active players are able to utilize their friendships to procure virtual property (Reer & Kramer, 2017). These virtual worlds allow for a more direct pathway to success by turning intangible capital into valuable, “tangible” capital within the game. These three facets—player avatars, collecting gear, contributing to a society—are a virtual world’s fundamentals as well as a potential means for real income.

It is not hard to imagine today’s market including virtual assets when online games already adhere to a real-world economy. Transactions in MMORPGs are very similar to any material transaction, and digital goods have varying prices depending on their intrinsic worth (Görkem, 2017). Acquiring items in-game most commonly requires money. These virtual economies have also been seen to experience inflation during periods of higher GDP (Gross Domestic Product) and the effects of supply and demand (Castronova et al., 2009). Still, the question of just how closely to reality transactions play out may depend on the game’s narrative. In MMORPGs where narrative is less important, or more flexible, players are more likely to engage with RMT because the game is still fun (Park & Lee, 2017). The reverse is also true: the stricter the game narrative, as in the more “work” one has to produce to complete quests, the less enjoyable following a realistic economy becomes. Playing an MMORPG for leisure then in essence becomes work and so less enjoyable, thus even further mimicking a real-world economy and even the individual dismay at having to work. However, the benefits of these long-term investments are clear, as players are able to literally sell their virtual property in a real-world market.

The virtual market is still largely untapped, and the existence of gamer-life is easily ignored simply because it is intangible. Nonetheless the profits coming from playing are shocking-

ly real: “Virtual world economist Edward Castronova has estimated the value of all the goods and services being produced in virtual worlds to be between 7-12 billion US dollars per annum. He further noted the economic transfer of at least 1 billion dollars in virtual currencies per annum as of May 2009” (Goodman, 2010). Today’s online marketplaces make the purchase of almost anything, anywhere, possible, allowing even the casual seller to turn a profit. Virtual items, accessories, “real estate,” and avatars can be bought and sold however the buyer and seller agree, but there are also websites designed specifically as a platform for these transactions (Chein, 2006). Navigating item pricing considers many of the same factors for selling tangible goods: time and labor, cost of supplies, intrinsic value, and supply-and-demand. Some MMORPGs also offer actual exchange rates between the game’s world and a country’s currency to help better evaluate an owner’s virtual property (Goodman, 2010). As the number of resources and the market for virtual entrepreneurs grows, so does the opportunity for cybercrime.

Online existence often mimics the analog world, even in crime and death. As virtual economies emerge to possess possibility for real-world wealth, crime from the real world follows the “paper trail” and slips into the intangible market. There are now “laws” in MMORPGs aside from the generally understood set of rules that a user abides by while playing the game. Despite opportunities for users to make real profit, there are no taxes on the initial purchase of items or real estate. Theft, fraud, and even murder are well within the bounds of the “law” as long as the user follows the game code (Chein, 2006).

But this issue becomes tricky when game crime actually hurts real users. While there are many platforms to safely conduct sale transactions, in-game theft and fraud are reported in-person for causing outside harm. Accounts can be susceptible to hacks, resulting in devastating theft

as well as user fraud (Goodman, 2010). Dedicated gamers are able to make financial gains from their online work, yet claims are typically disputed on the grounds that the stolen property never actually existed. Although this market provides real economy, the virtual market is still a wild west. In Nathan Hill's novel, *The Nix*, the character known only by his online name PWNAGE, is a middle-aged man addicted to the MMORPG "Elfscape" (Hill, 2016). His addiction has cost him his health and his marriage and left him in financial ruin. Despite this (or perhaps as a result), PWNAGE becomes more attached to his online world, one he can control and measure his success through his in-game accomplishments—he plays over a dozen high-level avatars and has in-game fame and a net worth translating to hundreds of thousands of dollars. His friends, players in his guild, exist only online until the barrier between virtual and real is breached by the story's protagonist. This is the catalyst for PWNAGE to finally quit the game; he gives his online friends various invaluable items and characters, culminating in the dramatic death of his most powerful and beloved avatar. Giving away his property preceding game-death is presented as being akin to a will and its recipients' inheritance.

The lack of legal protection for players of MMORPGs reflects a lag in today's economies and laws. Virtual materialism is continuing to grow. PWNAGE's scenario captures the essence of this discussion: his strong attachment to his main avatar and the social connections fuels his online ascent (intangible capital), he invests real time and money, incurs real loss (tangible capital), and gains immense virtual fortune translatable to real wealth. As we move further into the digital realm, online gaming currency should be regarded as actual currency, where time and real money are invested in gaining goods. A player's avatar and gear, though intangible, are still economic commodity. Because economic transactions in online gaming worlds are similar to those in "real-

life” and at times involve real currency, assets procured in MMORPGs must be considered as having real value. The screen has shattered; identity and property worth are now no longer only defined by their tangibility, but also by the virtual girl’s transient hand reaching out from its forever virtual world.

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