

Life's a game

GAMING ECONOMICS The line between virtual and real life is slowly thinning, starting with money matters. **JOHN ASHBOURNE**

While online gaming is often seen as a distraction from work rather than a source of employment, an innovative group of gamers are turning their passion into a way of making money. This opportunity has arisen in Massive Multiplayer Online Role-Playing Games (MMORPGs) such as World of Warcraft (WoW).

Virtual economy

These games create virtual realms in which players interact with each other as wizards, warriors, and other mystical characters. The scale of these games truly lives up to the name 'massive'. WoW home to over one crore players. Players cooperate and compete to complete quests, for which they are rewarded either with in-game currencies or special items such as better swords or suits of armour.

It wasn't long before expert gamers realised that other players were willing to pay real money, not just digital 'platinum pieces', for attractive in-game items. They soon began to use online services such as eBay to arrange trades and sell items. A gamer I talked to said that he put his fully-trained WoW account on the market for over Rs. 12,000.

Economists were able to establish an unofficial exchange rate between the Platinum Piece (PP) and the US Dollar. One PP is now worth slightly less than a US cent. The total economy of virtual games is now estimated to be worth more than several small African nations, and will soon exceed that of Jamaica. What started as trading between gamers has become much more controversial.

Until recently, over five lakh people in China were working in often sub-standard conditions acquiring in-game items

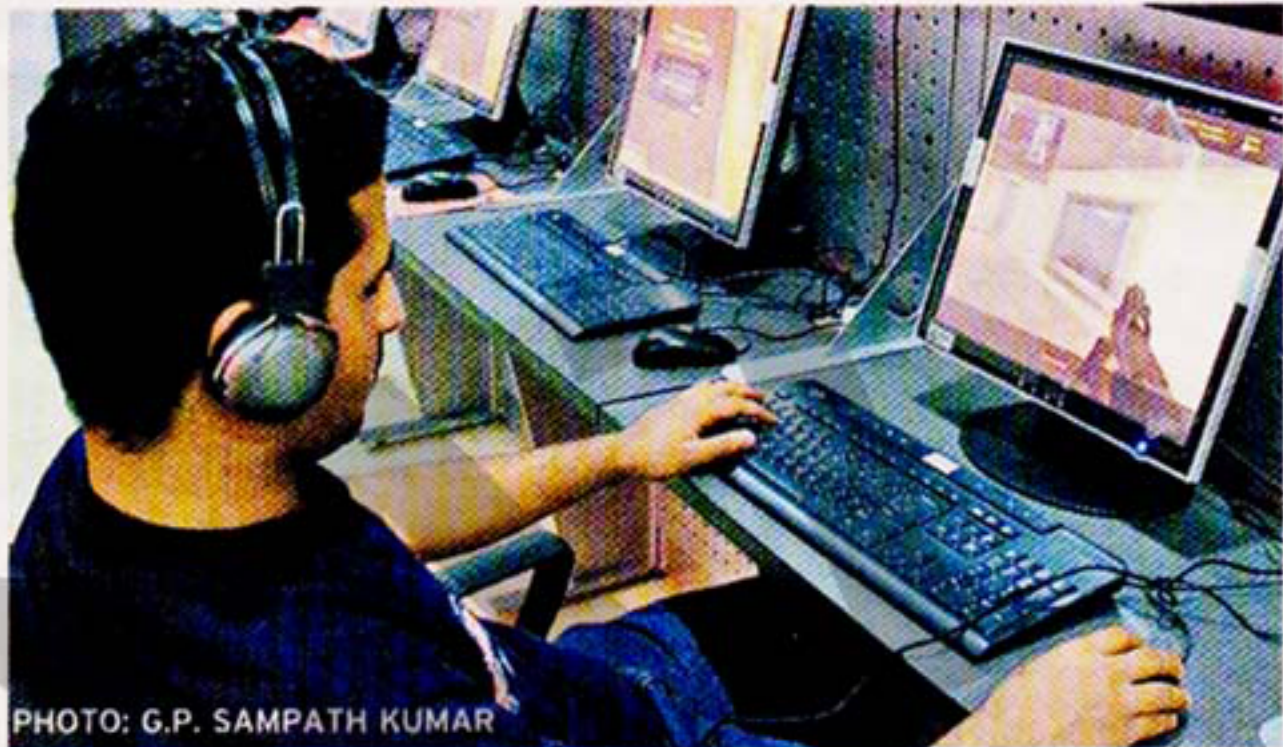


PHOTO: G.P. SAMPATH KUMAR

and then selling them to gamers in the West, a process called "gold farming".

The Chinese government recently banned the use of virtual currencies, worrying that it could become widespread enough to affect the real economy. A long-time gamer who goes by the name Kyori said that there might be abuses of some gold farmers, but "that's just bad capitalism" and "in the long term, it's a stepping stone to a new market".

Opinions

On the buying side, some might worry that buying items for money is cheating; as it allows gamers with more money to quickly level-up. Local gamer Ragav disagreed, saying that "people can already spend their money on a better graphics card" and that in some countries "everyone does it already". Canadian gamer James said that the real result was only to

"cheat the player out of the whole experience of the game" by allowing them to skip fun that goes into building up a character. Gaming expert Jai Naresh from Chennai's Image College of Art, Animation, and Technology (ICAT) said that while Indian gamers have yet to become very engaged in the virtual economy, "it will happen as the industry develops". Perhaps the creation of a virtual economy was inevitable.

As technologies improved millions of gamers have flocked to MMORPGs and spent hours living out complex and dynamic virtual lives. With millions of players, these online worlds are now thriving social systems with their own rules, geographies, and now economies. If money makes our world go around, shouldn't that be expected online as well? *John is a student at University of Toronto and National University of Singapore.*