Some years ago, towards the end of the last century, the journalist Julian Dibbell published a book called *My Tiny Life* (1999), recounting his adventures in LambdaMOO. LambdaMOO was (and still is) a MOO, which is a kind of MUD, which is a text-based virtual world. Dibbell’s book explored what, at the time, was a radically new experience: crafting a persona, and living a life, in an online virtual environment. The book started with Dibbell’s account (earlier published as an article) of “A Rape in Cyberspace,” an incident on LambdaMOO in which one of the players hacked the system in such a way as to control the actions of other characters, so as to subject them to various sexual indignities. *My Tiny Life* went on to narrate the aftermath of the incident: how the virtual crime was sanctioned by a virtual punishment, the banishment of the offender from LambdaMOO; and further, how the whole order of things on the MOO was turned upside down, and something like an experiment in virtual democracy was born.

For most of the book, Dibbell explores the rich texture of life on LambdaMOO in the years following the “rape” incident. He describes the social, sexual, and aesthetic aspects of MOO life, its often intense satisfactions and equally insistent annoyances. He raises questions about how virtual identities and virtual experiences relate to physical ones, and about the gender fluidity, multiplication of identities, and emotional intensities that seem to characterize life in cyberspace. But most of all, Dibbell powerfully conveys a sense of *what it was like* to live on LambdaMOO in the mid-1990s, to be a pioneering inhabitant of a digital virtual world at a time when the Inter-
net was not yet the mass (and massively commercialized) medium that it is today.

3. LambdaMOO excited and inspired many of us, back then. It seemed to us that this virtual world was, if not a full-fledged utopia, then at least what Foucault (1998) calls a heterotopia: an “other-place,” rather than a “no-place.” Heterotopias, Foucault says, are “real places, actual places…which are sorts of actually realized utopias in which the real emplacements, all the other real emplacements that can be found within the culture, are, at the same time, represented, contested, and reversed” (178). LambdaMOO was indeed a real place to us, for all that it was made only of bits and words. But it was also a special place, separate from what we called RL (“real life”); and thanks to this separation, as well as to the fluid, endlessly morphable nature of VR (“virtual reality”), it was a place where we felt free to experiment, and alter the boundaries of consensus reality.

4. On LambdaMOO in those years, we went through strange becomings. We thought that we were contesting and reversing social norms. We played with our bodies, with our senses of who we were, and especially with the constraints of gender and the shapes of our sexual desires. My avatar there, for instance, adopted the Spivak gender, which meant that, if someone asked me, ‘are you male or female?’, the only answer I could give was ‘yes.’ This sometimes disconcerted people. As Shannon McRae (1996) put it at the time, in a justly celebrated essay about gender play on LambdaMOO: “there is a certain kind of freedom in virtual sex. You can look however you want and do whatever you want, even push limits that for whatever reason you might not want to push in real life. In virtual reality mind and body, female and male, gay and straight, don’t seem to be such natural oppositions anymore, or even natural categories to assign to people” (245). In short, LambdaMOO seemed to many of us to be a magical place, where everything was up for grabs, where everything could be reinvented.

5. Today, of course, such enthusiasm seems rather naive. The promise of revolutionary personal and social change that we saw in LambdaMOO has not been fulfilled. And it’s obvious now that it never could have been. It’s true that the realm of the virtual, or of cyberspace, has expanded much further than we dared hope a decade ago. Technological advances have rendered merely text-based virtual spaces like LambdaMOO obsolete. Increased processing power and higher bandwidth have opened the way to more immer-
sive, higher-definition virtual environments, with graphics and sound as well as text: MMOs (massively multiplayer online games or worlds) like Ultima Online, World of Warcraft, and Second Life. And the number of people inhabiting these virtual worlds exceeds the number of MUDders and MOOers of a decade ago by several orders of magnitude. But the results of this expansion have been far from what we old-timers so fondly imagined. We thought that the virtual, seeping into the real, would somehow magically transform it. Instead, VR has simply – and without any sort of disruption – been absorbed within the textures of everyday life.

6. That is to say, what seemed exciting and cutting-edge to us, all those years ago, is today entirely humdrum and commonplace. I’m thinking not only of MMOs, but also of email, chat rooms, P2P filesharing networks, blogs, social networking sites like myspace.com, personal media distribution sites like youtube.com, and so on and so forth. Now, many of these media forms are at least potentially subversive, insofar as they involve many-to-many communication, open-source software, and the entirely laudable violation of copyright and “intellectual property” laws. But in the last analysis, they are still little more than additional items on what free-market economists and rational-choice political scientists would call the “menu” of choices available to us as consumers. Like other leisure goods – whether physical objects, “services,” opportunities for communication, or impalpable “experiences” – they have the affective structure of commodities that we fetishize, and frantically accumulate and consume. And this remains the case, even with goods, services, and experiences that we get online for free. We used to imagine that gender play on LambdaMOO was creative and experimental. But today, it is obvious that something like, say, the She-Male Sex Palace on Second Life is just another exercise in stereotyping and niche marketing. For me, the biggest difference between Second Life today, and LambdaMOO back then, is not the visuals, but the ubiquitous advertising.

7. I fear, to my horror, that I am beginning to sound like the baby boomer I chronologically am, complaining that young people today don’t rebel the way we used to at their age, or that hiphop is nothing like the good old rock’n’roll of the 1960s. But I hope that I can give my remarks a different inflection. Far from lamenting the decline of 1990s-style cyberutopianism, I want to suggest that we are well rid of it. At least provisionally, we need to look at things today in a harsher, more cynical light. When a medium is
new, we are dazzled by its sheer newness. We are tempted to regard it as a rupture in the order of being, something that shakes up all our habits and certitudes. At the same time, we are unable to see the new medium clearly, precisely because it is so unprecedented. We tend to attribute qualities to it that are really just transitory consequences of its newness and technical imperfection. Even McLuhan made this sort of mistake; a lot of his remarks on television are based on the assumption that TV sets are intrinsically small, low-resolution, black-and-white, and capable only of fuzzy reception. In the same way, we MOOers saw virtual telepresence as low-bandwidth, lag-ridden, deskbound, and textcentric. And we implicitly took for granted the relatively low population size of LambdaMOO, which made it more like a small town than a city. Ironically, we grounded our vision of cyberspace more upon its limitations than its potentialities. But in fact, and contrary to what we thought back then, a medium becomes truly radical in its effects only when it is no longer exceptional: when it is seamlessly incorporated into ordinary experience, and taken entirely for granted.

8. This past summer, Julian Dibbell published a new book, *Play Money* (2006), recounting his experiences on Ultima Online. The book is something of a sequel to *My Tiny Life*. Like its predecessor, *Play Money* tells the story of the author’s immersion in a virtual world. And both books mix autobiographical narrative with broader theoretical discussions. Nonetheless, there is a substantial shift in focus between the two texts; you can see this by comparing their subtitles. *My Tiny Life* is subtitled “Crime and Passion in a Virtual World”; whereas *Play Money* bears the subtitle, “How I Quit My Day Job and Made Millions Trading Virtual Loot.” To put it crudely, the first book is about sex, violence, and revolution; while the second is about money. *My Tiny Life* chronicles the social life of a community; *Play Money*, the vicissitudes of the market. The questions that concerned Dibbell in the earlier book are no longer at issue in the later one. Where *My Tiny Life* strives to convince the reader that virtual experience is emotionally and existentially real, *Play Money* takes this reality as a given. Instead, it strives to convince the reader that virtual labor, and virtual money and possessions, are economically real.

9. Another way to state the contrast between the two books is this. *My Tiny Life* turns almost entirely upon the separation, and indeed the competition, between VR and RL. At the end of the book, Dibbell quits LambdaMOO
because two lives were more than I could handle at the time” (304); his virtual life was real enough that it interfered with his actual, physical one. *Play Money*, in contrast, is about the inseparability of these two lives; they don’t compete, but intertwine with one another. The life of the character on the computer screen is simply a part of the everyday life of the person sitting in front of the screen. And if *Play Money* ends, like *My Tiny Life* did, with the author’s withdrawal from the virtual world he had spent so much time in, the reason for this withdrawal is entirely different. What Dibbell discovers on Ultima Online is the indistinguishability of play from work, of the virtual from the actual, and of his career as a “merchant of make-believe” (292) from his career as a freelance journalist. Rather than finding a magical world of possibility on Ultima Online, Dibbell is brought right back to the bottom line.

10. Specifically, *Play Money* is about Dibbell’s experiences as a trader in virtual gold and virtual artifacts. People spend much of their time in Ultima Online, and other MMOs, searching for, making, buying and selling, or even stealing, such artifacts: things like houses to live in, furniture and decorations for these houses, fancy clothing, weapons and armor for fighting monsters (or other players), magical objects for casting spells, and things that have become collectibles simply because they are rare or unique in the gameworld. Having cool and beautiful stuff like this gives you in-game social prestige, as well as being aesthetically satisfying in itself. Often these artifacts can be made or found at the price of hard labor; in the virtual world, this means a lot of fairly mechanical pointing and clicking. Other times a greater degree of creativity is required: writing, or drawing, or programming, new objects and features that appear within the space of the game, and that have actual consequences for the players’ experience and behavior. Within the game, all these artifacts can be bought and sold for virtual gold. And you can get virtual gold by mining it, or earn it by performing such tasks as killing monsters for a bounty.

11. But that is not all. Virtual objects can also be obtained outside the game. If you want a nice, well-located mansion in Ultima Online, but don’t have the patience to spend 800 hours of game-playing time killing monsters in order to accumulate enough virtual gold to be able to afford it, you can take a shortcut, and buy such a mansion on eBay, with real U.S. money. MMOs have differing policies on the purchase and sale of virtual artifacts for hard
cash. Everquest has banned this sort of trade, and tried (unsuccessfully) to suppress it; Second Life actively encourages it; while Ultima Online’s policy is somewhere in between. Tracking the hard-cash trade in virtual goods, Dibbell discovers – and himself becomes part of – a strange underworld of merchants and grifters who make an actual living from commerce on MMOs. In Second Life especially, there are virtual artisans, who make and sell desirable virtual objects (clothing, motor vehicles, statues, or whatever), or who accumulate wealth by buying, and then renting out, virtual real estate. In Ultima Online and other combat worlds, there are middlemen who buy and sell virtual artifacts on eBay and other sites, facilitating trades and pocketing the difference. And then there are the hackers and con men who accumulate virtual gold by exploiting bugs in the virtual world’s programming, and by illicitly running bots to perform repetitive point-and-click operations. These scams never last for very long. Eventually the bugs are fixed and the bots are shut down. But the scammers just move on, discover another programming loophole, and start the process all over again.

12. Most amazingly, Dibbell discovers entrepreneurs who have set up “gaming factor[ies]” (292) – or gold farms, as they have come to be called. These are offices in developing countries, like Mexico and especially China, where workers seated in front of computer monitors are paid to play MMOs eight to twelve hours a day, producing virtual artifacts or earning virtual gold. The work is boring, but probably not as onerous as having to labor in an actual factory. The entrepreneurs make their profit by pocketing the difference between the (real currency) wages they pay the workers, and the (real currency) money they get for selling the virtual artifacts and gold outside the game. Dibbell sees this as the ne plus ultra of postmodern dematerialization, the “relentless drift toward abstraction at every stage of the production process” foreseen by Marx (21). It’s Baudrillard’s hyperreality pushed to the point of “a sort of economic parody: offshore peons harvesting the bounty of a ‘land’ that exists nowhere and anywhere. Copyrighted bitmaps masquerading as iron ingots. Gold coins more ephemeral than any paper dollar” (22). Everything solid melts into air – and is exported around the world as well. First manufacturing, and then services, were outsourced from the United States to the developing world. Now, globalization has reached the point where even game-playing can be outsourced.

13. Gold farms mark a new frontier in hyperreality, because the labor per-
formed, and the products manufactured, are themselves entirely virtual. Of course, a certain amount of physical hardware is required: you need to rent office space, and buy a bunch of computers; and there has to be a communications infrastructure to bridge the distance between your office in Fuzhou, China and a bank of servers in Silicon Valley, California. But this is just the minimal background for a business predicated, as Dibbell puts it, on “the buying and selling of castles in the air” (23). Workers receive real (if meager) wages, guaranteeing them physical subsistence, in return for engaging in virtual play. This play, in turn, generates a stream of virtual profits. These profits are moved out of the gameworld, and inserted into the world economy, as Brittanian gold pieces are exchanged – electronically, of course – for a balance measured in U.S. dollars. Those dollars are then plowed back into the virtual production business, or otherwise invested in global financial flows.

14. Instead of the heterotopia of LambdaMOO, then, we would seem to have reached the libertarian-capitalist fantasy of a fully virtual economy, nicely defined by Dibbell as “a realm of atomless digital products traded in frictionless digital environments for paperless digital cash” (23). In such a world, everything is volatilized into bits, and your data is your life. The Invisible Hand of the market reigns supreme. The smooth space of virtual cash and virtual identities is entirely deregulated and tax-free. Dibbell worries a great deal about what will happen when the IRS finally “catch[es] up to reality” (313), grasps the actuality of virtual economic transactions; but it’s doubtful whether many of the other players he meets are similarly scrupulous.

15. All this ought to remind us that capitalist production and accumulation have all along involved, and required, a certain mobilization of the virtual: a marshalling of signs, a designation of ownership rights, an abstraction of quantities of value. As Deleuze and Guattari (1983) put it, paraphrasing and extending Marx, the function of money is virtual or phantasmatic, since it involves “signs of the power of capital, flows of financing” that are never spent but continually reinvested, accumulating more and more value – as long as the cycle of production and circulation is not broken (228). Capital itself is a virtual fiction: a “consensual hallucination” (to use William Gibson’s famous definition of cyberspace) that is enforced by law, and naturalized by habit and custom. It’s a fiction, however, that has all-too-real
effects and consequences – often calamitous ones – in whatever we still think of as the material world.

16. At this point, it makes little sense to think of MMOs as fantasy worlds, self-contained and sealed off from “real life.” For there is a continual leakage from the virtual into the real (and vice versa), a blurring of the boundaries between the two. Doubtless, we must adopt a radical monism: MMOs are not virtual as opposed to real, but themselves parts of the One Real, with the same ontological consistency as schools, factories, markets, and weapons of mass destruction (all of which have both virtual and material aspects). I’d like to sharpen this claim, however, by suggesting that the “reality principle” of MMOs, the thing that makes them different from merely escapist fantasy worlds – and also different from heterotopic places of refuge, passion, and experimentation – is precisely their economic systems. Not only are virtual worlds tethered to the world economy, as Dibbell’s narrative amply demonstrates. But also, internally, these worlds simulate – which is to say, they present a simplified and idealized version of – the actually existing “free market” capitalist economy.

17. Dibbell frequently cites the economist Edward Castronova (2001), who has written extensively about the economies of virtual worlds. Castronova examines the economy of Norrath (the virtual world of Everquest) in great detail. He points out, first of all, that “nearly a third of the adults” in Everquest “spend more time in Norrath in a typical week than they do working for pay,” and that “some 20 percent of Norrath’s citizens consider it their place of residence; they just commute to Earth and back” (3). The citizens of Norrath spend much of this online time engaging in economic production and exchange. Calculating Norrath’s economic statistics, Castronova finds that its productivity, though low by North American and Western European standards, is greater than that of many developing nations: “the creation of dollar-valued items in Norrath occurs at a rate such that Norrath’s GNP per capita easily exceeds that of dozens of countries, including India and China” (3). In any case, the virtual values produced in Norrath are so much greater than the U.S. dollar costs of maintaining an Everquest account that “Norrathians gain a substantial consumer surplus from the world’s existence” (35). In theory, a “typical user” who works on Everquest for 80 hours a week (i.e., twice the customary American weekly workload) earns slightly above the official U.S. poverty line (36). Castronova also notes, without
overt comment, that there is a huge gap on Everquest between rich and poor: “the distribution of wealth in Norrath is apparently significantly less equal than its distribution in post-industrial societies on Earth” (36).

18. Any market economy, mercantile or capitalist, presupposes an underlying condition of scarcity. In a society as vast and interconnected – and yet as privatized and atomized – as ours, markets crop up at the slightest hint that any resource, or possible object of desire, is less than immediately accessible. As Dibbell (2006) puts it, “markets will seep like gas through any boundary that gives them the slightest opening” (43). Conversely, markets are killed off by abundance. People stop buying CDs when it is easy to download music for free. You can’t charge for resources that are plentiful, and that it costs almost nothing to produce. This is as much the case in virtual, simulated economies as it is in fully material, physical ones.

19. Why, then, should scarcity be a problem in online virtual worlds? After all, bits and bytes of digital data, like ideas, and unlike physical artifacts, are inherently non-rivalrous goods. They are plenteous, and endlessly replicable – aside from the artificial scarcity introduced by copyright laws and the like. Information, as the saying goes, wants to be free; once the network is in place, the marginal cost of generating, reproducing, and disseminating it is vanishingly small. There is always a certain cost for hardware, of course. LambdaMOO, a decade ago, ran on a single server: hard drive space was therefore at a premium. Dibbell devotes a chapter of My Tiny Life to the economics of LambdaMOO, recounting how this scarcity was managed bureaucratically rather than through a market (161-185). But MMOs today suffer from no such limitations. They run on vast arrays of servers; once such a system is online, the marginal cost of adding additional storage space and processing power is, again, extremely low.

20. Economic scarcity in virtual worlds is therefore not inevitable. In Ultima Online and other MMOs, it exists only because it has been deliberately programmed in. Scarcity is not a bug, but a feature. And people find it compelling, even fascinating. Players spend untold hours negotiating the frustrating economic constraints of all these worlds. They turn their play into a kind of work, both menial and entrepreneurial. They perform the digital equivalent of hard labor. Dibbell’s account of his obsessive immersion in Ultima Online’s economic system is what makes Play Money such a compelling read. He tells us about profitable coups he made, about deals that
went awry at the last minute, about the times he got ripped off, and about insider manipulation of the Ultima gold market. As Dibbell gets more involved in his economic pursuits, he increasingly loses interest in the social, community, and networking aspects of life in Ultima Online, and indeed in the Dungeons-and-Dragons-like gaming aspects as well. “As I invested myself more and more in the economy of UO players,” he writes, “I could feel myself drifting further and further from their community.” Dibbell is no longer interested in the chatting, socializing, and emotional soap operas that had once preoccupied him on LambdaMOO. Nor does he pay attention to “the dungeon quests, the crafting trades, the big houses and the little chunks of fame that came with owning one.” The overt features of life on Ultima Online have ceased to engage him. All he cares about is the money (149).

21. There have been many attempts at building online virtual worlds in which resources are abundant, and life is free and easy. But none of these worlds has been anywhere near as successful as the scarcity-driven MMOs like Ultima Online and Everquest (Dibbell 2006, 41; Castronova 2001, 16-17). Dibbell and Castronova both puzzle over why this should be so. Castronova takes what I think of as the Captain Kirk approach. Again and again, the Enterprise comes upon what seems to be a utopian world, a world of effortless play. But Kirk always ends up destroying these worlds – in direct violation of the Prime Directive – ostensibly for the inhabitants’ own good. For they need obstacles, they need something to strive for; otherwise life is not worth living. Castronova similarly argues that the difficult challenges of MMOs stave off boredom, and promote intense emotional involvement. “Scarcity is fun,” he writes; “the process of developing avatar capital seems to invoke exactly the same risk and reward structures in the brain that are invoked by personal development in real life” (14-16).

22. Dibbell offers a more sinister, Burroughsian explanation. He suggests that, in our postindustrial, increasingly virtualized world, we have become habituated – addicted, even – to scarcity. “In an atmosphere of oxygen, our bodies learned to breathe; in a world of scarcity, the soul might just as likely learn to need the universal obstacle to its desires” (43). Scarcity is a bit like heroin, in the way it stimulates, and satiates, those risk and reward structures in our brains. The craving for scarcity, and thereby for the market, means the death of the utopian – or at least heterotopian – impulses that used to animate places like LambdaMOO. For the market is voracious; it absorbs
everything that it encounters, and translates all values, and all desires, into its own monetary equivalents.

23. There is still, however, a puzzle here. The appeal of scarcity would seem, not only to negate all those old-fashioned utopian longings, but also to violate the entirely non-utopian grounding assumption of neoclassical economics: the idea that people always seek to maximize their “utility.” How, then, could they ever choose to make things hard on themselves? As Casstronova says, from an economic point of view it is “shocking…to suggest that utility and well-being are not the same thing. Utility always rises when constraints are relaxed, yet people seem to prefer a world with constraints to a world without them” (16-17). On this account, even hedonistic consumerism – the one utopian ideal still available to us today – is belied by the experience of MMOs.

24. I think, however, that this seeming aberration is nonetheless in full accord with what I can only call, following Weber, the “spirit of capitalism.” Free-market economists tend to abominate abundance, because it is inefficient. It subverts “the discipline of the market,” undermines the price system, removes the motivation to compete, and seduces people into sheer waste and unremunerative play. Free-market economists thus value the actual process of the market mechanism – the way that it assigns a price to everything, and subjects “man,” as F. A. Hayek (1991) puts it, to “the bitter necessity of submitting himself to rules he does not like in order to maintain himself against competing groups” (76) – far more than they do the prosperity that is supposed to result from the market’s smooth functioning. And today, after Reagan and Thatcher and the worldwide triumph of neoliberalism, we all implicitly feel this way. We cannot help it. We believe in the Market more than we do in anything else. Indeed, the Market is probably the only thing that we really, truly believe in. Even in virtual reality, we prefer scarcity to abundance, for the same reason that we prefer Euclidean geometry and Cartesian coordinates to any other way of organizing space. In both cases, the former is the only arrangement that feels “natural” and “realistic” to us. We are disoriented by abundance, just as we are by a relativistic spacetime that is curved and filled with wormholes.

25. I prefer scarcity to abundance, in other words, because it gives me a reason to go shopping, and because it allows me to dream of making a killing as a merchant or entrepreneur. And this is the case in Second Life, as much as it
is the case in my “first life.” Scarcity is a barrier to fulfillment, but for that very reason it enables fantasy. And doubtless Žižek (1989) is right to assert that “ideological fantasy structures reality itself” (44). The fantasy of the market, grounded in the constraint of scarcity, is what gives our lives consistency today. Gameworlds are not opposed to the “real” everyday world, in the way that fantasy is supposed to be opposed to reality. Rather, in the virtual worlds of MMOs, we seek out precisely those fantasies that sustain us in everyday life. Now, it is widely accepted that every game needs some sort of constraint. Constraints (or rules) work to focus and enrich play, to make it feel worthwhile and meaningful. But what happens when the game is a world, and the world is a game? Dibbell suggests, not just that games need rules, but more generally that, “all else being equal…people will choose the world that constrains them over the one that sets them free” (41). I fear that this observation is all too accurate. It reminds me of Spinoza’s (1998) remark (often cited by Deleuze) that people “will fight for their servitude as if for salvation” (3).

26. The real question, then, is not why we choose virtual worlds grounded in scarcity over ones that offer us abundance; but rather, why we value and evaluate these worlds in economic, utilitarian terms in the first place. Dibbell addresses this question by tracing the history of work and play under capitalism (58-64). Capitalism, as Weber shows, is grounded in the distinction between work and play – a distinction that many pre-capitalist societies did not even recognize. Capitalism traditionally exalts work as salvation, and stigmatizes play as diabolical. In the twentieth century, theorists like Huizinga, Caillois, and the Situationists sought to invert this binary, celebrating play as a subversive alternative to the Protestant Ethic and capitalist rationality. But today, the entire work/play binary has collapsed. MMOs offer us the possibility of “productive play”: something that neither the Puritan inventors of capitalism, nor its Situationist critics, could ever have understood (64). Dibbell finally suggests that we are entering an era of ludocapitalism: “a curious new industrial revolution, driven by play as the first was driven by steam” (297). When work and play merge, Weber’s “‘iron cage’ of meaningless hyperefficiency” gives way to an economy based on “contriving meaningful activity…through the mechanisms of play” (298-299).

27. Ludocapitalism is by no means just confined to the MMOs Dibbell writes
about. From a global perspective, the entrepreneurs who make money from the commercial activities surrounding Everquest, Ultima Online, and Second Life are small potatoes. But the entire world economy today is dominated by ludic, virtual wealth. For the trade in financial derivatives exceeds by many times over the buying and selling of actual commodities. Indeed, the value of currently held derivatives is far greater than that of the world’s entire physical economic production (LiPuma and Lee, 2004). The prices of these financial instruments are calculated by means of complex differential equations, involving rules that are so arcane and abstract, so inaccessible to intuitive grasp, and so detached from any ordinary considerations, that I can only think of them as as being like the rules of some incomprehensible game. And although derivatives were originally invented as hedges against risk, the trade in them today is almost entirely speculative: what Susan Strange (cited by Dibbell, 24) calls “casino capitalism.” The wealth embodied in derivatives is entirely virtual; it only exists in the form of bits. It cannot be used to purchase physical goods, or to invest in physical production; there is just too much of it. Yet the trade in derivatives has powerful effects on “real” economic conditions, as it can crash whole national economies, and relegate millions of people to very real misery, merely through a series of nearly instantaneous computer-generated transactions.

28. Dibbell finally suggests that, under the reign of ludocapitalism, with work turning into play, it is no longer necessary to “find a way out of the grind, an escape from modernity’s productive regime”; for “the grind [i]s already escaping from itself,” emerging into the realm of play (299). A similar point is made by Nigel Thrift (2005), who remarks that, today, “for quite a few people, capitalism is not just hard graft. It is also fun... Capitalism has a kind of crazy vitality. It doesn’t just line its pockets. It also appeals to gut feelings” (1). And indeed, who can disagree with such assessments? The world today approaches the condition of gamespace, as McKenzie Wark (2006) has taught us to understand: “Games are no longer a past time, outside or alongside of life. They are now the very form of life, and death, and time, itself” (5). How can anyone be so surly, and indeed Puritanical, as to object?

29. Nonetheless, I am inclined, in curmudgeonly, Adornoesque fashion, to see the situation as one in which even leisure and play have become hard work, and work has been transmuted into play only in order to get us to do more of
it. I am thinking, not only of those gaming factories Dibbell mentions, but also of phenomena like “word of mouth marketing,” in which people volunteer to create “buzz” for new products, by hyping them in casual conversation (Walker, 2004), and “crowdsourcing” (Howe, 2006) – as practiced by many companies online, including virtual worlds like Second Life (Llewellyn, 2006) – in which individual “creativity” is promoted and encouraged, precisely as a way for corporations to get their customers to do their R&D work for them, for free. None of this seems the least bit liberating – which is, of course, precisely the point. I began this essay by recanting the naive utopian hopes I once invested in LambdaMOO; now I end it, rather inconsistently, by lamenting the absence of such hopes from Ultima Online or Second Life. You can’t really have things both ways, I guess – even if the promise and lure of play has always been that, somehow, you can. Ludocapitalism is just the latest instance of the Market’s astonishing ability to subsume, denature, and profit from whatever threatens to contest it – and perhaps I had better leave it at that.

References


Virtual Economies are an emergent phenomenon. Companies have a lot to gain by that successfully creating virtual economies around their platforms. Data and experiences from virtual economies may also help economists, social scientists and policy makers improve our real-world economies. This post is split into two sections: Part 1 describes virtual economies, businesses that can benefit from virtual economies, relevant technologies and key economic principles required to understand how to create a virtual economy. Part 2 presents a comprehensive process for creating a virtual economy. Money for Nothing: Virtual Worlds and Virtual Economies. Steven Shaviro shaviro@shaviro.com. January 10, 2007. 1. Some years ago, towards the end of the last century, the journalist Julian Dibbell published a book called My Tiny Life (1999), recounting his adventures in LambdaMOO. LambdaMOO was (and still is) a MOO, which is a kind of MUD, which is a text-based virtual world. Technological advances have rendered merely text-based virtual spaces like LambdaMOO obsolete. Increased processing power and higher bandwidth have opened the way to more immersive, higher-definition virtual environments, with graphics and sound as well as text: MMOs (massively multiplayer online games or worlds) like Ultima Online, World of Warcraft, and Second Life.