

Every decision made by the designers of a virtual world is a political decision. Every debate over the rules and every change to the software is political. When players talk about the rules, they are practicing politics.

## I. Exploits

Consider the following classic story from Lucasfilm's Habitat, launched in 1985. A "vendroid" on one side of the world would sell a doll for seventy five Tokens (the Habitat unit of currency). A pawn shop at the other end would buy dolls for a hundred Tokens each. A similar price disparity held for more expensive crystal balls: One machine would sell them for 18,000 Tokens, while another would buy them for 30,000 Tokens. When a group of players discovered this possibility for arbitrage, they took advantage of it wholeheartedly:

One night they took all their money, walked to the Doll Vendroid, bought as many Dolls as they could, then took them across town and pawned them. By shuttling back and forth between the Doll Vendroid and the Pawn Shop for *hours*, they amassed sufficient funds to buy a Crystal Ball, whereupon they continued the process with Crystal Balls and a couple orders of magnitude higher cash flow. The final result was at least three Avatars with hundreds of thousands of Tokens each. We only discovered this the next morning when our daily database status report said that the money supply had quintupled overnight.<sup>1</sup>

In a game in which the daily income was supposed to be 100 Tokens, the result of this arbitrage was to leave four-fifths of the entire wealth of the game in the hands of a handful of players.

In games, as in the real world, this sort of inflation in the money supply can be economically catastrophic. Prices for other game items skyrocket; other players' wealth effectively evaporates. Players who have previously made steady incomes by selling items to pawn machines see their real incomes collapse; items available from vending machines at fixed prices and in unlimited quantity flood into the game. Not only do players who have invested in these items see their real value drop precipitously, but the game servers themselves may become overburdened by the sudden increase in virtual items they must track.

Today, a similar design mistake would be called an "exploit." The boundaries of what constitutes an exploit are necessarily fuzzy, for reasons I will discuss below, but the general sense is that an exploit is any activity in a game that produces rewards which are wildly disproportionate to the effort involved, within the context of the game's overall economic opportunities. One also sometimes sees exploits referred to as "gold duping" or "gold farming," although both these terms technically describe only one particular form of exploit. Exploits have the feeling of alchemy: arcane secrets that produce virtual gold out of thin air.

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<sup>1</sup> Chip Farmer and F. Randal Mornigstar, The Lessons of Lucasfilm's Habitat, in CYBERSPACE: FIRST STEPS (Michael Benedikt ed. 1991), <http://www.fudco.com/chip/lessons.html>.

Exploits are a game designer's nightmare, but they are also nearly inescapable. Some exploits arise from outright coding mistakes, others from the unexpected interaction of game features. Every major game seems to have had exploit problems on a regular basis; game designers have learned to keep a close watch on their economies for the telltale signs that someone has discovered an exploit. When designers notice one, they first alter the game software to prevent its future use, and they then try to undo the damage. The following responses are typical:

- Since the Habitat vendroid exploit produced so much wealth, it was easy to figure out who the exploiters were. The designers contacted the newly-rich players and convinced them to engage in a series of potlatches, spending their money on "treasure hunt games" for the amusement of other players.
- Ultima Online reduced its money supply after an inflationary exploit by introducing a special red hair dye and auctioning it off. The dye had no in-game function other than as a status symbol.
- Dark Age of Camelot, like many other games, has a blanket policy of warning, suspending, or ultimately expelling people who are caught using exploits. Indeed, players are instructed to report possible exploits if they discover any.
- EverQuest uses the threat of lawsuits and the threat of ejection from the game to try to prevent the real-world sale of in-game assets, including its currency. If other players are willing and able to pay "real" money for virtual money, then 'sploiters can convert their virtual gains into hard money. By banning "eBaying," EverQuest therefore seeks to reduce the financial incentive to look for exploits.
- It is rumored that Shadowbane, in response to a particularly bad exploit, simply closed down the server which had been exploited. Shadowbane's designers were unable to determine who on the server had taken advantage of the exploit, so they forced everyone to move to a new server, leaving behind all of their gold and all of their real property. The net effect was a contraction of the money supply through a massive exaction, on the theory that the vast majority of the exacted wealth would come from the 'sploiters.
- Star Wars Galaxies, like many games, has tried to create forms of wealth and status that cannot easily be transferred among players, even by players who are willing to buy and sell entire characters. Their forthcoming system for assigning the desirable top ranks will limit the number of players who can hold such ranks, either by election or by in-game combat. Neither one's combat skill nor charisma can easily be transferred, so the hope is that even exorbitant exploit-produced wealth will not substitute for personal ability and extensive gameplay.

The range of responses is noteworthy. Habitat and Ultima Online implicitly accepted the gains of exploiting and allowed the clever to retain their wealth; they focused instead on repairing their games' macroeconomies. The policies adopted by Dark Age of Camelot and EverQuest were much harsher; they treated exploiting as a form of crime and the gains as

contraband subject to confiscation.<sup>2</sup> Shadowbane's reply was certainly anti-exploit, but the consequences fell just as hard on people who had done nothing "wrong." And Star Wars Galaxies's decision has the side effect of forcing a severely inegalitarian social structure onto the game: Not every experience will be open to every player.

It is impossible to label these responses "right" or "wrong" in an absolute sense. We need to refer to the social consensus of a game's player base to think about a change to the game. But once we do so, then every change will have both supporters and opponents. It will privilege some players while hurting others. Whether the game should make the change is an issue of policy; whether it does make the change is a matter of politics. Every choice about a game's software is political.

One cannot dodge this point merely by referring to the End User License Agreement (EULA) that the game company requires players to accept. It is tempting to say that changes that comply with the EULA are right, while changes that violate the EULA are wrong. While such a rule may seem appealingly objective, it is unhelpful in practice. The EULA is typically so one-sided with respect to the game itself that it treats any action by the game company as right. Players have no right to object if the game company closes an exploit; but they also have no right to demand that the company close one. Whether or not the game company will take action will depend on its relationship with the players and its sense of which response will be best for the game's long-term popularity. But that sense, in turn, will depend on the players' feelings about the issue, a subjective and popularity-based inquiry that reference to the EULA was supposed to avoid.

Similarly, one cannot derive the "ought" from the "is" of the game software itself. One would like to say that the rules of the game are embodied in the software. What the software allows players to do, it is right for them to do; what it prohibits is wrongful. Once again, the idea is objective but unhelpful. The problem of exploits is precisely that the software lets a 'sploiter get away with something surprising, so that there is nothing "wrong" with the exploit, as far as the software is concerned. The result is the Grand Inquisitor's moral nightmare: All that is possible is permissible.

'Sploiters cannot breathe easy, however, because once the software is modified to close the exploit and confiscate the duped gold, those rules of the game embodied in software still have not been violated. To figure out whether a given change to a game constitutes the confiscation of counterfeit virtual goods or the taking of legitimately-acquired virtual property requires referring to something outside of the software. That "something" is the collective expectation of the players about the game they are playing.

## II. Players and Designers

There are a number of good taxonomies of player motivations, but I would like to emphasize a few basic features of their diverse motivations.

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<sup>2</sup> For a discussion of responses to such crimes by real-life legal systems, see generally Dan Hunter and Greg Lastowka, *Virtual Crimes*, 49 N.Y. L. SCH. L. REV. 293 (2004), available at <http://www.nyls.edu/pdfs/v49n1p293-316.pdf>.

First, their motivations are indeed diverse.<sup>3</sup> Players play games for many reasons, including the pleasure of facing a challenge and overcoming it, the pleasure of competition with others and of acquiring superior social status, the pleasure of socializing with friends, and the pleasure of collaborating with others in the pursuit of a common goal. They often play for a complicated combination of these motivations. Given that even people motivated by the same challenges will have different abilities and that people motivated by socializing will have different networks of friends, it seems safe to say that no two players play a game for exactly the same reason or with exactly the same goals.

Second, a sense of challenge is a common motivation. Psychologically, rewards tied to effort are more satisfying than ones that happen automatically. Players frequently want games in which not everything is immediately available; they want games which require interactivity. This challenge could be absolute—for example, a player must attain a certain level of skill to gain access to a particular part of the world—or it could be relative—for example, an in-game tournament that can have only one winner. Either way, players want their world to have meaningful constraints built in.

Playing a game together means reconciling these two features with each other. Players with differing motivations and abilities must agree on a common set of rules that provide a satisfying set of constraints. The rules are the framework within which the game takes place; they are a compromise among the players.

Virtual worlds use software to create this common framework: the software shows players a representation of the game world and mediates between the players in determining what “happens” in that world. One might say that the rules of the game are enforced by the software, to the best of its abilities. The software constitutes the “reality” of the virtual world, by establishing a common set of metaphors for the players to share. A certain set of bits on the server and a corresponding set of pixels on the screen becomes a virtual apple; another, different set becomes a virtual house. These common metaphors, together with the logic by which the software responds to player requests to manipulate them, define the game as what it is. Change them too much and the game becomes a different game.

One of the most important ways in which the software in a virtual world fills out the content of the game being played there is by establishing a scarcity structure for the resources of the game. Habitat made Tokens, Dolls, and Crystal Balls into scarce resources by handing out Tokens only at the rate of 100 a day and allowing other items to enter the world only by being purchased. Ultima Online made red hair dye into a scarce resource by auctioning it off. Star Wars Galaxies will make elite Jedi into a scarce resource by forcing players to compete, king-of-the-hill style, for coveted ranks.

These resources have multiple functions within the game. Some are valued by players as goals in themselves, the rewards for completing particular tasks. Some are valued by players instrumentally, as means to accomplishing other goals. Some are valued by players as indicators of social status, either as signs of prowess or as signs of conspicuous waste. And finally, precisely because these resources are valued by players for so many other purposes, they have value as wealth: they can be exchanged for other game resources, for favors, or for “real” wealth.

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<sup>3</sup> See generally Richard Bartle, *Hearts, Clubs, Diamonds, Spades: Players Who Suit MUDs*, <http://www.mud.co.uk/richard/hcds.htm>.

Game software, of course, does not spring into being from a vacuum. Someone must program it, run it, and maintain it.. For most major virtual world games, that someone is a corporation whose business model involves selling access to the game on a subscription basis, although this model is not the only one possible.

One way of looking at game designers in this model is as gods, because they have god-like powers over the gameworld as a world. They call a game world into being; they can also destroy it or remake it in any way they wish: the tradition of calling them “gods” or “wizards” or “superusers” reflects this virtual omnipotence. The gods can ban a player outright, block her from speaking, confiscate her possessions, or turn her into a toad.

Further, under the terms of the EULA she probably clicked through when joining the world, they can banish or toad her for no reason, with no warning, and without offering her any compensation. Her only legally-guaranteed recourse is to quit the game, leaving behind whatever accomplishments she has built up there.

Unsurprisingly, this imbalance in power casts a long shadow across virtual worlds, and frequently arouses concern among observers. Players regularly claim arbitrary mistreatment, especially where their losses due to designer action have real economic value. Indeed, courts in some countries have started to open their doors to lawsuits by players against designers for confiscating valuable virtual items.

Designer capriciousness is a real concern, especially in virtual worlds that are more than “just games.” Nevertheless, I think, that a focus on the conflicts between players and designers is a distraction from an even more important set of conflicts: those between players and other players. Although complaints about the unaccountability of designers are sometimes legitimate, they are often also a discourse strategy adopted by players who lose political contests with other players. But I am getting ahead of myself.

The problem with the “unaccountable designers” view of games is that it fails to take account of the designers’ motivations. The hedonic goals motivating players do not apply to designers in the same way. Precisely because designers are not bound by the rules of the game in the same sense, they aren’t really ever “playing” the game. Baseball umpires aren’t bound by the rules of baseball, but we don’t fear that umpires will systematically oppress players. Yes, there is the occasional incident of abuse of power, the undeserved ejection, but on the whole, umpires aren’t competitors with an unfair advantage. They may have an advantage but they will never be competitors.

As entrepreneurs, game designers are trying to make money, which they do by selling access to the game world and by selling virtual resources. All of their money comes from players; they make money only as long as players are willing to continue paying. Confiscating a virtual item doesn’t enrich the game designer and may infuriate a paying customer. If anything, it seems as though the natural instinct of the game designer would be to pander, to hand out every in-game asset and accomplishment to anyone who asks. That way, no one would ever quit from the frustration of failure.

But this instinct runs up against players’ desire for challenge and scarcity. The EverQuest players who play for hundreds of hours would quit in boredom if every monster could be killed with a tap on the nose. The Ultima Online players who lined up to bid on the red hair dye would never have done so had it been available in barrels on every street corner. Players wouldn’t mind

an edge here and there, but an edge available to everyone isn't an edge at all. Designers are stingy with players because players themselves, especially other players, demand overall stinginess.

In the end, designers are like the Genie in Disney's *Aladdin*: "PHENOMENAL COSMIC POWER . . .itty bitty living space." Their decision-making in setting game rules is driven by a kind of monetary utilitarianism: they make decisions largely in keeping with their sense of long-term profitability. Whatever the overwhelming majority of players wants, within reason, the overwhelming majority of players gets.

Game designers are the governments of virtual worlds. Like real governments, they make the "laws" under which citizens must live. And like real governments, they are accountable, after a fashion, to their constituents. The mechanism by which that accountability is established is different—and arguably inferior—it is true, but this is not to say that no such mechanism exists. Players use designers as agents, employing them to make and enforce the collective decisions that need to be made to make a virtual world function well. Designers focus the diffuse will of the players into something actionable: software.

### III. Conflict

As Clay Shirky has observed, any social group will witness systemic and repeated conflicts among its members; the process of resolving these conflicts is the process by which the group defines itself.<sup>4</sup> The advantage of applying this statement to groups whose interactions are defined by software—a category that includes virtual world games—is that in these groups, much of the self-definition is explicit, and encoded into the software. A game is defined by its players' understandings of the rules; when those rules are to be enforced by software, the evolution of the software is a history of the evolution of those understandings.

Some measure of evolution is more or less inevitable. Players never agree completely on the rules of a virtual world; the average player doesn't even know most of the rules. I sincerely doubt that any EverQuest player knows the hit points and respawn rate of every monster in the game. Even the designers don't actually know all the rules as the software actually enforces them. Every bug fix is an admission that the rules coded into the game's software didn't match the rules in the minds of the designers. Disagreement, ambiguity, and mistake are everywhere.

Most of these ambiguities are content to remain latent: A Habitat player probably doesn't care whether the selling price of a Crystal Ball at a particular vendroid is 18,000 or 19,000 Tokens. But other ambiguities are flushed out into the open. The Habitat vendroid exploit made it a matter of great public concern that the selling price of Crystal Balls was 18,000 Tokens rather than 36,000.

A few players become rich because of an exploit; the rest of the player base wants the exploit closed off, and quickly, before their own wealth is wiped out by inflation. Exploits are not the only cause of crises over the rules of virtual worlds, but they are an especially vivid example both of the difference that rules changes can make, and of the intense pressure for and against those changes.

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<sup>4</sup> See Clay Shirky, A Group is Its Own Worst Enemy, [http://www.shirky.com/writings/group\\_enemy.html](http://www.shirky.com/writings/group_enemy.html); Clay Shirky, Nomic World, <http://www.shirky.com/writings/nomic.html>.

What makes exploits so much fun to think about is that there is no line dividing “exploit” from “feature.” An “exploit” is a moneymaking opportunity condemned by most players. A moneymaking opportunity embraced by most players is a “feature.” Calling something an “exploit” is a way of saying that you want the software changed to prohibit it and that you think those who are taking advantage of it are cheating. If the designers agree with you—or rather, if they think that enough players would agree with you—they will make the change. Why should you keep playing a game whose designers don’t fix exploits?

What makes exploits so explosive, however, is that *not* everyone agrees on them. The so-called ‘sploiters probably see their behavior as perfectly acceptable, no matter what you happen to think. Taking advantage of a good opportunity is skillful play: it indicates careful attention to the game world and good judgment among competing ways to spend your game time. You, they would say, are perfectly welcome to take advantage of the feature you insist on calling an “exploit;” you shouldn’t complain that someone else found it before you did. Why shouldn’t better players be allowed to enjoy the fruits of their skill?

Indeed, turn the tables. Imagine that you are a long-distance merchant in EverQuest. You buy valuable items at a discount in remote backwaters, then carry them through dangerous monster-infested wastelands to reach the trading cities where your haul will fetch a higher price. Every journey is a risky one; you take the chance of losing your entire trading stock in an ambush. Your profit margin is large, but isn’t it a fair compensation for your hard work? But now, the EverQuest admins intervene, saying that one plant in your bundle of goods was mispriced due to a software bug, and that the 200% profit you were turning on it was an exploit. They fix the prices, confiscate your entire store of platinum pieces, and ban you from the game for a week. Isn’t this an example of unjust designer intervention? Why should you keep playing a game whose designers fix things that aren’t exploits?

There is no escaping the conflicts. Every change benefits someone and hurts someone else. The designers may claim that overall effects are “good for the game,” but their perspective reflects a kind of simpleminded majoritarianism. They will do whatever causes the fewest players to quit the game.

What is happening here is that the game’s formal rules—those its software enforces—from time to time come substantially unmoored from the game’s normative rules—those its players think of as the “rules,” as their “social contract.”<sup>5</sup> (Actually, the two are never entirely congruent; it is just that the differences are only noticed and fought over on exceptional occasions.) When this happens, the formal software rules need to be brought into correspondence with players’ sense of what the rules ought to be.

But it is impossible to fix the software without some clear understanding of what that “sense of what the rules ought to be” actually means. When players’ senses disagree, there is an opportunity for a kind of metagaming. Typically, players’ senses of the “right” rules favor

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<sup>5</sup> See generally Julian Dibbell, *Owned!*, abstract at <http://www.nyls.edu/docs/dibbell.pdf>. Dibbell argues that restrictive EULA terms can be understood as a form of social contract, a delegation of power by players to designers to enable the designers to deal harshly with eBayers and other miscreants. My argument is, in part, a generalization of Dibbell’s. See also Raph Koster, *Declaring the rights of Players*, at <http://www.legendmud.org/raph/gaming/playerrights.html>.

themselves: That's human nature. Whoever emerges victorious in the contest to determine "what the rules out to say" has in fact managed to obtain an advantage within the game itself.

"Victory" in this contest, where virtual world games are concerned, means persuading the designers, for they are the ones with the power to alter the software. The contest therefore takes the form of competing groups of players lobbying the designers, each pressing arguments why it would be better if the software were changed in the way they recommend. It is this triangular dynamic—two groups players powerless to alter the world on their own competing for the favor of an omnipotent designer who nonetheless depends on the players collectively for support—that gives politics in virtual worlds their fascinating character.

Ultimately, players' power over designers depends on their ability go nuclear, to stop playing and stop paying. It's a powerful threat, but costly for a player who has built up substantial in-game wealth or status, and each player can only quit once. Thus, the first rhetorical trope of in-game politics is the threat to quit, and the second is the accusation that the threatener is all hat and no cattle.

Raph Koster has commented on the phenomenon of running a "game that people love to hate."<sup>6</sup> It makes perfect sense that the players most attached to the game, the most invested in it, and with the strongest opinions about how it should be run should also be the ones most often threatening to leave but never actually quitting. That threat is their biggest source of influence over the game, but they are too bound to the game to leave except under truly dire circumstances.

The next interesting pattern of virtual world politics is that any software policy proposal is meaningless unless conveyed to the designers. The designers, it is true, have an interest in keeping an ear to the ground to know what players are thinking, but the player who cares at all about the shape of gameplay really has no choice but to try and reach the designers. I think this fact underlies another familiar trope of virtual world politics: extensive fan feedback at conventions, on public message boards, and within games.

One of the most salient forms of virtual world politics is doubly-virtual civil disobedience: virtual once for being in a virtual world, and virtual a second time over because true disobedience is impossible in a software-controlled space. Instead, players act out demonstrations, even though they have no ability to withhold virtual taxes, take over virtual buildings, or topple virtual sovereigns. Ultima Online had a nude protest over the inflationary spike that ultimately produced the red hair dye; Second Life saw a "tax revolt" over the game's tax on virtual property. These were propaganda events, designed, much like real world protests, to send a signal that many players care about an issue.

And finally, and most importantly, there is the normal grassroots work of any form of politics: persuading other people to agree with you. Your job is to convince them that your idea about how the software should be lines up with their motivations for playing, will produce an enjoyable game overall, and is most substantively just. Perhaps you will convince them; perhaps not. But you will be engaged in politics, as well as in playing the game. When it comes to virtual worlds, "politics" and "play" are one and the same.

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<sup>6</sup> Raph Koster, Current and Future Developments in Online Games, <http://www.legendmud.org/raph/gaming/futuredev.html>.

## **IV. Conclusion**

Once you know to look for virtual politics, they're everywhere. Almost every design decision—even a seemingly uncontested decision—has winners and losers. It's always worthwhile asking which players benefit from a given decision, why the designers listened to them, and why the losers didn't put up a more effective resistance. The possible cleavages are infinite; so too are the possible coalitions.

If my argument has seemed familiar in places, that is because it is not exactly novel. My analysis of the effect and meaning of software is just a reiteration of familiar (if contested) claims about the effect and meaning of law. Perhaps it is easier to see the clash of interests and the social construction of meaning where virtual world games are concerned. They are virtual, after all: they depend on an explicit agreement among the players. The possibility of software bugs makes more obvious the need for after-the-fact interpretation of ambiguities in that agreement. And the fact that they are games foregrounds both the sense of competition and the complete arbitrariness of the rules governing that competition.

It would be a mistake, however, to think that I am arguing that virtual worlds are somehow different from real ones. Any perceived difference is illusory. These worlds may be virtual, but their politics are wholly real.