

Book Review: Castronova, E. (2005). *Synthetic worlds: The business and culture of online games*. Chicago: The University of Chicago Press. ISBN 02206096270. Paperback. \$18.00USD.

“As the lines disappear, we move toward a state in which there is really no barrier to a complete translation of every interpersonal human phenomenon on Earth into the digital space.”

-Edward Castronova

Call it play...call it fantasy...call it whatever you like, but the ability to transform ourselves mentally into a created scenario, the ability to visualize ourselves in three dimensions and interact with others, and the ability to create new dynamics in terms of culture, society, and power are making their way into mainstream life. Just as culture is foundational to the conversation regarding nature vs. nurture learning, the seminal researchers in identity were no strangers to how culture influences personal and social identity, how activity affirms our roles within a community, and how the desire to exercise voice as a collective culture can challenge established hegemony and cause shifts in power. The essence of culture is not new; what has changed is the sense that the world has gradually gotten smaller, with geographic and material barriers to global participation all but dissolved. Technology, media, and social networks now enable anyone with an Internet connection to become part of a new synthetic society, with its own culture and methods of commerce. This is the essence of the business and culture of online games: They are a microcosm of real life, or life as we would like to envision it, with the ability to earn income, find our identity, and become part of a society without ever leaving our computer table.

Edward Castronova is a Ph.D in Economics (Wisconsin, 1991), which explains his fascination with the business and economics of online games. He is also an Associate Professor in the Department of Telecommunications at Indiana University, Bloomington. On his webpage, <http://mypage.iu.edu/~castro/About.html>, Castronova describes his interest as “Online environments where thousands or even millions of users share a persistent, fabricated geographic space at the same time.” His expertise is in observing how these online environments are (for some) a legitimate alternative to real life, and how they challenge real society in terms of economy, culture, and public policy.

### Synthetic Worlds

If any of us could have a life “do-over,” would we seize the opportunity? If we could construct our identity to be anything we desired, could choose to have any vocation (or no vocation), and attain whatever social status made us content – would we? That is exactly the opportunity game providers have given us in massive multiplayer online games such as Everquest, World of Warcraft, and Second Life, where tens of thousands of participants can simultaneously exist in a virtual world. These created spaces offer everything from a Medieval fantasy to as real-life an experience as programmers can make it and offer a blank slate for someone who may be searching in order to explore, socialize, achieve, or control. All that is required is a computer capable of running the software, the right amount of broadband, and yes...money. Creating a synthetic life is big business, and many of the same power and culture conflicts that exist in real life also exist in virtual life...we just look better.

### *Culture and Identity*

Our personal culture and identity is the summation of where we have been, who we are, and where we hope to go. Crehan (2002, p. 76) described critical theorist Antonio Gramsci's definition of culture by stating, "Culture here is defined as the work of self-knowledge. In this sense, everyone has a culture and identity. It is this personal self-knowledge (identity) that influences what we become as we enter a synthetic space. Castronova gives an example of this crossover in Chapter 1, "Daily Life on a Synthetic Earth." This account is primarily a transactional journal of what happens as someone becomes an avatar (digital representation of self) in a virtual world, and by chapter 2 the author digs into the psychology of users. Interestingly, gamers are not who we picture them to be: Teenage Twinkie-eating, Mountain Dew drinking cyborgs locked up in the basements of their parents homes. They are just like us: They work, they have families, they own homes, and they *play*. Castronova's well-referenced writing includes Piaget's research regarding play as an "integral component of development, as a way to learn about the world and build our own skills."

### *Culture and Society*

Castronova writes that in a virtual world, very little happens individually. The whole point of synthetic spaces is to be social, as people have a fundamental need to connect with others. He then opens a Pandora's box of motivations for why people may choose to participate in a synthetic world, beginning with Richard Bartle's motivators (see table 1):

Table 1

*Motivational Types (abbreviated from Castronova, p.72)*

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Type	Motivation
Explorers	People who come to see what is there and map it for others. They are happiest with challenges that involve the gradual revelation of the world.
Socializers	People who come to be with others. They are happiest with challenges that involve forming groups with others to accomplish shared objectives.
Achievers	People who come to build. They are happiest with challenges that involve the gradual accumulation of things worthy of social respect.
Controllers	People who come to dominate other people. They are happiest with challenges that involve competing with others and defeating them.

Castronova suggests that people who aren't satisfied with their real life might find a second, synthetic life more attractive. He states, "The default and unconscious assumption of the brain is that everything seen [*on the computer*] is absolutely real." A synthetic world can be anything we choose to make it, as it is the domain of its participants. The author then cites the effect of play on emotional health by (again) Piaget, Huizinga, and Caillois, and is generous with quotations from referenced researchers throughout the book. Castronova closes this segment on users by making social statements that usher in our conversation about power. He suggests that people who are unsatisfied, isolated, restless, bored, and discriminated against in contemporary life may feel connected and accepted in a synthetic one. His closing quote by Caillois is telling:

"Simulation [is] in principle and by nature in rebellion against every

type of code, rule and organization.”

### Boundaries

#### *Bounded Entities*

Crehan (2002, p. 172) suggests that hegemony is a domain of beliefs and ideas in the lived dominance and subordination of particular classes. Better stated, it is the *implied* acceptance of a class structure, reflected in practical activity such as labor, economics, art, etc. Castronova calls this concept “institutions,” stating, “Human institutions are the rules of some game, rules that all players adhere to out of self-interest, and yet have a powerful structural influence on what they do.” Everyone who participates in a synthetic world brings some sense of class order with them; it is the world designers and programmers who determine what the class rules actually are. Depending on the type of synthetic world, the designers can design a fairly empty canvas and allow the participants to self-govern in more of a social world (an example would be something like Second Life), or the designers can structure distinct classes of users and what power each class has (something like World of Warcraft). Whatever the motivation to participate, the author correctly states that there is a powerful effect of synthetic roles on the self-development of the user, both inside and outside the synthetic world. This creates an environment where, depending on the type of environment, a user can exercise behavioral risk with none of the consequences of real-life. At the same time, an avatar who establishes a particular reputation can’t just move to a new game – there is far more motivation to maintain a cooperative mindset. In my own experience, the “born on” date of an avatar’s identity is a testament to longevity and respect; the longer someone has been in-game as the same identity, the more respect they command. Conversely, an avatar with a recent date of conception may

have far less respect, either because they are a “newbie,” or it is suspected they have created an “alt” (alternate) avatar identity to hide behind.

### *Modernity*

Giddens (1991) talks about the emergence of a new type of relationship that is boundary-absent. He states that, “No one can ‘opt-out’ of the transformations brought about by modernity...the connecting of the local and global has been tied to a profound set of transmutations in the nature of day-to-day life.” Castronova writes about these fading boundaries, which enable global collaboration in real-time, in three dimensions. As a result, the author suggests that there is an emerging shift in “social salience,” where the real world holds as much value as a virtual one. He suggests the day is coming when we will be able to transfer from one synthetic world to another with the same avatar identity, much as people are now able to transfer from one country to another. As this trans-world opportunity arises and we hold our synthetic lives to be as important as our real lives, the value we place on the status and good we attain in our synthetic life will take on the same value as if they were real. The reader is reminded on many occasions that synthetic worlds are becoming a legitimate alternate life for millions of people, and that number is expected to increase. The distinction between worlds is beginning to fade and has begun to impact issues of policy and law, as well as commerce.

### Power

### *Commerce*

As participants assign more value to their synthetic lives, they amass the material possessions that their particular class status views as necessary. This can be anything from weapons of warfare, to homes and beachfront land. Houses in virtual spaces can have all the trappings of real life: pools, cars, designer furniture and art. The people who offer goods and

services to others within a virtual world can be anything from escorts to builders; business models can be tested for a fraction of the cost of their real life counterparts and are every bit as competitive as in the real world. Most synthetic worlds have their own currencies; a participant exchanges their native currency (via credit card) for the currency of game. Goods and services are purchased, and as vendors make money in the game, they can exchange their earnings back into their native currency. Castronova addresses the concerns of legal and copyright protections for virtual world designers, and what legal responsibilities game developers have for safeguarding what resides on their servers. And while money earned in virtual spaces historically fell under the radar in terms of taxation, the IRS is beginning to pay attention to games where millions of dollars (US) is transferred in and out of these games on a daily basis.

Many major real-life companies have entered virtual worlds as marketing spaces, in order to entice users to purchase their products. In Second Life for example, many auto manufacturers such as Mercedes-Benz have established a presence in order to enable avatar-users to customize a virtual automobile then drive it around a test course. If someone is interested in purchasing a car, they only have to click a particular place to be taken to the automaker's website for locations where they can take a real test drive. Dell computer has a large presence where an avatar can actually build a custom computer, then be directed to a web page where that exact configuration can be purchased and delivered to the user's home.

With a background in economics, Castronova's expertise is devoted to the economy, law and policy of synthetic worlds, from free-market business to the value of the time that users spend in these environments. He also devotes time to how labor is valued, and how even game designers act in a sense as a treasury, controlling access to land and resources. In Second Life for example, new participants were at one point able to get their first plot of land free (a controlled

distribution from Linden Lab, the game's developer). Over time, it was observed that many people sold this first plot of land for large profits, creating a situation that caused the free land deal to stop. At one point the purchase price of land was high, creating value for people who were land owners, however Linden Lab did two things: They introduced a glut of new land into the system that dropped the value of land for existing owners, and they offered free memberships in order to boost subscriber numbers. These free memberships didn't require any kind of identification or credit card information, and the only restriction for these new accounts was land ownership; free members can't own land. This created a shift in land use from owners to renters.

### Conclusion

Castronova proves his subject matter expertise in the area of massive multiplayer online games not only as a participant himself, but also as a researcher with a wealth of knowledge behind him. His extensive notes and reference citations make *Synthetic Worlds* an extremely useful tool for academic research in this area, as well as general reading for anyone who is fascinated by what is likely to become mainstream social networking over the next several years. While not to be mistaken as a cultural anthropologist or critical theorist, Castronova is a master of the economies and policies that make up gaming, and anyone interested in the underbelly of synthetic world economics from a developer as well as a user perspective will find this text indispensable. Also, while this review is seen through a cultural/identity lens, Castronova also writes about threats and opportunities, which will be of interest to anyone who has a long-term interest in game technology.

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