Abstract
Johan Huizinga’s claim that commercialization threatens the self-enclosed ‘magic circle’ of free play still permeates many contemporary games studies. Critiquing such generalizing and essentialistic assumptions, this article distinguishes four different ‘orders of commercialization’ that impinge on online game worlds and studies empirically how each of these is evaluated and negotiated by players themselves. Based on an analysis of World of Warcraft and Second Life, it demonstrates that some orders of commercialization – that is, the game itself as a commodity and the construction of its world as a virtual marketplace – are compatible with free play since they enhance players’ in-game agency. Other orders of commercialization – that is, ‘real money trading’ and the colonization of the game world by multinationals – are experienced as commodifying and undermine the spirit of play. Contextualization is called for: while some orders of commercialization threaten the ‘magic circle’ of free play, others stimulate or facilitate it.

Keywords
commercialization, magic circle, online computer games, play, Second Life, World of Warcraft

Introduction
Glamorous premiere events, with international superstars strolling along the red carpet, are no longer monopolized by the movie industry. For the European release of its newest video game, Halo 3 in September 2007, Microsoft had organized major premiere events in London, Paris, Amsterdam, Madrid and Milan. Celebrities from the movie and music
industries, representatives from the game industry and many lucky Halo fans experienced what Microsoft liked to call ‘the biggest entertainment event of the year’\(^1\) (Haskins, 2007).

The event indicates that the videogame industry can easily compete nowadays with other branches of the entertainment industry. The last 15 years have shown its coming of age: according to figures of the Entertainment Software Association (ESA), computer game sales in the USA steadily grew from $2.6bn in 1996 to $11.7bn in 2008. Nowadays 67 percent of the American households play computer games and the average game player age is 34 years (see Entertainment Software Association, 2010a, 2010b). This indicates that gaming is no longer trivial ‘child’s play’ and that young players keep on playing when they are adults. Moreover, the majority of contemporary games no longer resemble the rigidly structured arcade games of the 1980s such as Pong, Space Invaders or Pac-Man. Every new generation of games has more technical options, choices and interactivity, featuring unlimited freedom for players as the ‘holy grail’ of game design. Game psychologists suggest that ‘the intrinsic need for autonomy is what fuels the player’s hunger for more freedom in games, and why games that provide freedom and open-ended game play are so highly valued’ (Rigby and Ryan, 2007: 3). The paradigm example of such free and open-ended game worlds are popular massively multiplayer online role-playing games (MMORPGs), also referred to as ‘virtual worlds’ (Bartle, 2004) or ‘synthetic worlds’ (Castronova, 2006) on the internet. These are social environments (played worldwide by millions of players simultaneously): they are persistent (the 3D worlds are available 24/7 and endure even when there are no players), interactive (players can have a profound influence on the structure of the game world), and most importantly they have their own cultures, social structures, economies and ecologies.

Given these characteristics, MMORPGs exemplify the development in the game industry towards more player agency and open-endedness over the last 15 years. Yet a paradox haunts the literature on gaming. It is often argued that it is exactly this open-endedness that disturbs the strict boundaries between the game and the real world, between playfulness and seriousness and, most relevant for this article, between the free zone of play and the omnipresent, colonizing powers of modern capitalism. Starting from Johan Huizinga’s classical conceptualization of the game as a self-enclosed ‘magic circle’ and the critical debates about its applicability in game studies, in this article we study how players evaluate and negotiate the forces of modern capitalism that increasingly permeate contemporary game worlds.

**Modern capitalism: breaking the magic circle?**

*Homo Ludens (1950[1938]),* the classical work of the Dutch historian Johan Huizinga on play in western culture, has become a standard reference among game designers (e.g. Crawford, 2003; Salen and Zimmerman, 2003) and in games studies (e.g. Consalvo, 2009; Copier, 2005; Dibbell, 2006; Taylor, 2006). It is even argued that Huizinga has become a ‘pop icon in games studies’, whereby his 70-year-old theory about play anachronistically functions as a ‘prehistory’ and legitimation of the emergent field of games studies (Pargman and Jakobsson, 2008: 227). As Huizinga famously claimed, play is a
'free activity standing quite consciously outside “ordinary” life as being “not serious” ... whereas it proceeds within its own proper boundaries of time and space’ (1950[1938]: 13). To emphasize the self-referential and the sublime or even sacred nature of play, Huizinga used the metaphor of a ‘magic circle’. This magic circle, he argued, protects the freedom of play so as to enable it to bring ‘a temporary, a limited perfection ... into an imperfect world and into the confusion of life’ (1950[1938]: 10). At the heart of Huizinga’s formal definition of play, then, lies a rigid distinction between real life and the game: play is an act set apart by hermetically sealed boundaries – but is it? Whereas some academics theorize that the boundaries between play and real life have always been permeable (e.g. Anchor, 1978; Ehrmann, 1968), and that Huizinga’s notion is not so much descriptive but a moral construct (Lauteren, 2007), others struggle with its empirical applicability to contemporary computer games. In particular, the recent generation of MMORPGs such as *Ultima Online*, *Everquest* or *World of Warcraft* are considered ‘borderline cases’ (Juul, 2003: 39), since they disturb the rigid boundaries between the game and real life. In the context of MMORPGs, then, the ‘strong-boundary hypothesis’ has made way for the ‘weak-boundary hypothesis’ (Pargman and Jakobsson, 2008), whereby Huizinga’s magic circle is often redefined nowadays as a porous ‘membrane’ (Castronova, 2006) – a flexible filter that permits cultural, social and economic traffic to flow from everyday life to the play world and back. Whereas the permeability of the boundaries between the magic circle of MMORPGs and the real world is widely agreed upon in a descriptive sense, the moral implications are fiercely debated. In particular, the growing influence of modern capitalism on the playing experience in virtual worlds has raised critical voices. Huizinga himself theorized that play is ‘an activity connected with no material interest, and no profit can be gained by it’ (1950[1938]: 13), warning that the distinct zone of free play in western culture is under threat since ‘business becomes play’ and ‘play becomes business’ (1950[1938]: 200; see also Lasch, 1991[1979]: 102). Contemporary academics in games and media studies often echo Huizinga’s moral position. For example, they theorize about the loss of freedom in virtual game worlds since the large corporations that produce them – such as Sony, Microsoft or Blizzard Entertainment – ultimately own and control the content. This includes players’ avatars in which individual players have invested much time, money and energy (e.g. Bartle, 2006; Marks, 2003). In-game freedom, from this perspective, is merely a well-crafted illusion serving the financial needs of multinationals in the gaming industry. As Humphreys observes: ‘The good governance of game spaces is one of the things that will determine their profitability’ (2008: 151). Other critics inspired by a neo-marxist approach, depict games such as *World of Warcraft* as a ‘capitalist fairytale’ (Rettberg, 2008) because its narratives reproduce corporate ideologies, business goals and legitimate managerial practices. They typically argue that ‘the game is training a generation of good corporate citizens’ (Rettberg, 2008: 20), or that it is ‘the perfect ploy for the construction of the consumer-subject’ (Kline et al., 2003: 277). In addition, and completely in line with the paradigm set out by Huizinga, the economist Edward Castronova warns about the practice of ‘real money trading’ and in general, the influence of real economies on virtual economies:
As their status as play spaces erodes, the laws, expectations and norms of contemporary Earth society will increasingly dominate the atmosphere. When Earth’s culture dominates, the play will be over; the fantasy will be punctured; the illusion will be ended for good. Taxes will be paid. The rich and poor will dance the same macabre dance of mutual mistrust that they do on Earth, with no relief, no chance to opt out and start again ... Living there will no longer be any different from living here, and a great opportunity to play the game of human life under different rules will have been lost. (2005: 76; emphasis in original)

Although some authors rightly plead for ‘nondichotomous models’ in order to capture better the utterly complex relationship between free play and modern capitalism (Taylor, 2007; e.g. Dibbell, 2007; Yee, 2006), Huizinga’s dualistic position that free play and modern capitalism are mutually exclusive and that the former is undermined by the latter remains widespread. Thus, rather than accepting the implicit moral dichotomy of ‘good’ play and ‘bad’ capitalism on a priori grounds, it is the aim of this article to open it up as an empirical question. In our analysis we distinguish four different ‘orders of commercialization’ that impinge on online game worlds, and study empirically how each of them is evaluated and negotiated by players themselves. We focus on MMORPGs, not only because millions of people from all over the world immerse themselves in these virtual worlds everyday (Woodcock, 2008), but mainly because they exemplify the industry-wide trend towards infinite player freedom and commercial interferences. In particular, we selected World of Warcraft and Second Life. While despite the enormous degrees of freedom that it grants its players, World of Warcraft still contains rules that constrain this freedom, Second Life hardly knows these types of restrictions, so the imagination of its players has literally become decisive for what is taking place. Due to this absence of rules, strictly speaking, Second Life even transcends Huizinga’s conception of play according to which ‘all play has its rules’ (1950[1938]: 11; see also Callois, 1961[1958]). Notwithstanding these differences, both convey an otherworldly magic circle that is in different ways influenced by real-world capitalism, and as such they provide good cases for the theoretical purpose of our research. In our analysis we rely on a variety of sources: 17 qualitative in-depth online interviews with participants in World of Warcraft (eight participants) and Second Life (nine participants), content analysis of discussion forums on the internet, presentations by and interviews with game designers, and insights provided by participant observation in both game worlds.

Appeal of the magic circle
‘A world awaits’

Before studying the ways that players evaluate and negotiate different orders of commercialization that impinge on the magic circle of play, first we must find out whether such a special space actually exists: that is, if and how it is constructed and experienced by players. Huizinga’s notion is, after all, by no means uncontested in current games studies; it has even been argued that the activity of gaming is part of the routines of everyday life (e.g. Pargman and Jakobsson, 2008), and that ultimately, ‘there is no magic circle’ (Consalvo, 2009: 408).
Interestingly enough, and despite today’s technical opportunities to construct virtual worlds that resemble modern reality in detail, the great majority – no fewer than 90 percent – of MMORPGs are based on the fantasy genre (Woodcock, 2008). As such they quite literally convey magic circles: fantasy, by definition introduces another place and time that features magic, mystery and re-enchantment. Whether based on fantasy (e.g. Ultima Online, Dark Age of Camelot, World of Warcraft, Dungeons and Dragons Online, Lord of the Rings Online) or even science fiction (The Matrix Online, Star Wars Galaxies), as soon as one enters these worlds, the feel of real life evaporates. World of Warcraft, for example, consists of Azeroth and Outland, two fictional planets with imaginary medieval-like, otherworldly spaces permeated by legends, supernatural myths and phantasmal lore. The advanced underlying technology enables players to immerse themselves in a visually stunning world of magic and enchantment, and this is precisely the main selling point of their producers. As the back cover of the World of Warcraft game box states:

A world awaits ... Descend into the World of Warcraft and join thousands of mighty heroes in an online world of myth, magic and limitless adventure ... An infinity of experiences awaits. So what are you waiting for?

World of Warcraft’s designers have cut and pasted ancient religions, popular myths and mysterious cultures, often derived from other popular texts varying from J.R.R. Tolkien’s Lord of the Rings to J.G. Frazer’s Golden Bow and Joseph Campbell’s The Hero with a Thousand Faces (e.g. Bartle, 2004). By using intertextual references to other popular (fantasy) texts, Krzywinska argues, designers constitute an appealing ‘combination of otherness and familiarity for players’, thereby enhancing feelings of immersion and ‘being in a world’ (2008: 138). In a spatial sense, World of Warcraft is crafted as a large environment with impressive mountain ranges, vast plains, wide seas, lively cities and quiet villages: one that proves appealing to the inhabitants of urban life worlds with their typical modern burdens, rules and limitations (Aupers, 2007). As Ultima Online had already promised in 1997: ‘There is much to do, many choices, so many lands to explore, houses to design and build, quests to complete, rare treasures to hunt for, exotic creatures to tame, and an almost infinite array of characters to build’ (Ultima Online, 2010). Indeed, players are free to do whatever they want in these virtual environments. For example they can travel across the vast universe of World of Warcraft on foot or on the back of an animal pet, owned and mastered by the player – be it a horse, a wolf or a mythical animal. One can also choose public transport – through air by huge vampire bats, eagle-like birds or zeppelins, by subterranean rail system or across the sea by boat.

As these odd means of transport indicate, travel in World of Warcraft is not simply about getting from A to B:

Flying gives you an entirely different view of the world. If you think you know your way around, wait until you see Azeroth by air! The flight paths are specifically designed to delight passengers with entertaining sights and glimpses of new regions, such as dangerous high-level areas that you might not be ready to explore yet. You can also get a clear view of other players adventuring on the ground and see some of the monsters that you’ll be encountering later in the game’. (Blizzard Entertainment, 2010)
As Castronova argues: ‘Virtual worlds represent a technology that allows deeper and richer access to the mental states invoked by play, fantasy, myth and saga, states that have immense intrinsic value to the human person’ (2006: 68).

**Agency unlimited?**

In addition to the otherworldly characteristics of MMORPGs, they clearly promise personal freedom – another important dimension of the magic circle of play, according to Huizinga. One of the major appeals of the online games is that players choose a character, a so-called ‘avatar’ or digital representation of the online identity, to explore the virtual world freely. Although there are of course many other possibilities of escaping mundane reality by immersion in more enchanting ones (for example, watching movies or reading books), virtual game worlds are different from the latter because they require active participation. Instead of being a mere recipient of stimuli, one is part of an interactive play with an important and active role to play oneself. This role has become increasingly unscripted: within boundaries, it is up to the player to decide who to be and what to do. Players are actively encouraged to express their identities in any way they prefer and to actively immerse themselves in these worlds, if they feel like doing so perhaps even as superheroes:

> If you’ve ever felt like you wanted to step out of yourself, your life, into one that was full of fantasy and adventure – virtual worlds offer you this opportunity. ... You choose your own virtual life and immerse yourself into the mystical, medieval world of Britannia ... Ultima Online is the place where you can be whatever you want to be. (Ultima Online, 2010)

Advertisements like this underscore the vital role of promises of unlimited agency – agency that transcends the limitations of ‘real life’. Indeed, in every MMORPG players can choose between various races (e.g. elves, humans, dwarfs), classes (e.g. wizards or warriors) and other characteristics to construct their ideal in-game characters, heroes and heroines. In *World of Warcraft*, players can configure their avatars from 10 different races and nine different character classes, each with their own features and peculiar qualities. Furthermore, players can choose various professions to produce or enhance custom items and armour, locate and harvest reagents and raw materials, and acquire wealth through trade with other players. Not surprisingly, then, marketeers of MMORPGs promise their players more freedom than their competitors. They brag about ‘countless’ and ‘unparalleled’ opportunities for customizing clothes, facial expression, eye colour and hair, so as to create a ‘truly unique’ and ‘personally fitting’ avatar. For example, *Asheron’s Call* promises selection from ‘millions of possible combinations ... to make your character truly unique’, whereas *Anarchy Online* states on its website:

> Enjoy unparalleled character customisation, including 80 character skills, hundreds of special attacks, thousands of items and a wide range of clothes, weapons and armour. No other online game delivers more character customization and depth. (Anarchy Online, www.anarchy-online.com)
Hence game designers aim to build virtual worlds that offer their players ever-increasing agency. Richard Bartle, designer of the multi-user dungeons in the 1980s (still at the basis of contemporary virtual worlds) affirms this:

> I always knew what virtual worlds promised: freedom. Freedom to do, to be, to realize. It is precisely this promise of much more freedom that distinguishes contemporary MMORPGs from their more primitive predecessors and from more ‘narrative’ media. (2006: 33).

As a game designer, Greg Costikyan, explains:

> There is a direct, immediate conflict between the demands of a story and the demands of a game. Divergence from a story’s path is likely to make for a less satisfying story; restricting a player’s freedom of action is likely to make for a less satisfying game. (Costikyan, 2000–2001)

In Bartle’s words: ‘Good simulations allow people to do whatever they want to do. Good virtual worlds allow people to be whatever they want to be’ (2004: 174). Without sufficient agency, he adds, ‘the virtual world may be immense, beautiful and finely crafted, but [remains] just a shell’ (2004: 466). Although games do have the plots, characters and other features of traditional narratives, they differ from the latter according to game designers in that they grant their players much more freedom.

The interviewed participants in World of Warcraft and Second Life confirm that personal freedom is indeed an important enticement to play. Certainly, player motivations differ and whereas some are more engaged in truly otherworldly immersion, exploration and role-playing, others are more interested in sociality, competition or achievement online (e.g. Yee, 2007). However, underneath such differences one finds a shared fascination for online freedom and agency. The participants emphasize that within these virtual game worlds they can do at least as much as in ‘real’ life – and often even much more than this – and that precisely this constitutes the main attraction of these games: ‘The appeal of the virtual worlds is the feeling of freedom they offer, allowing to interact with others and shape their environment’, as Diane summarizes the communis opinio about this. That these virtual game worlds enable the bypassing of all sorts of constraints inherent in ‘real’ life adds much to the attraction: ‘One of the great joys of a virtual world like Second Life is the ability to indulge in fantasy limited only by your own patience and skills with the tools’, Reggie contends, while Steve expresses his fascination about ‘the exploration of a new world and experiencing the sort of things you can’t really “do” in real life.’ Hence the interviewed players confirm that MMORPGs offer them a unique platform to do things that are impossible in real life. They nonetheless emphasize that virtual worlds are not better than ‘real’ reality, but merely different, both having their own particular advantages and disadvantages. Two characteristic quotes expressing this point are ‘virtual life is significantly different from real life on a number of levels’ (Tom) and ‘there are things you can do in both [worlds] that are fairly exclusive to that particular medium, they’re realities, which I consider neither positive nor negative’ (Shelly).

Notwithstanding the variety of motivations among gamers, we conclude, the experience of a relatively self-enclosed magic circle and personal freedom constitutes an important appeal of online game worlds. This possibility is not only the common thread in the
marketing strategies of game-producing companies, and as such drives their competition as well as the process of game designing, but it also accounts for the powerful spell that these games cast over their players. Virtually limitless freedom in an otherworldly and fascinating magical world is now available for anyone, for just US$15 a month.

Commercialization of online game worlds

First-order commercialization: the game as a commodity

Promises of otherworldly freedom in contemporary MMORPGs are inspired by the humanistic counterculture of the 1960s and 1970s, the formative period of many of their designers. Recent genealogies have demonstrated convincingly the profound influence on contemporary MMORPGs of the idealistic dreams of liberation, freedom and playfulness of fantasy fiction (especially Tolkien’s *The Lord of the Rings*, 1956), paper-and-pencil role-playing games (such as *Dungeons and Dragons*, developed by Arneson and Gygax, 1972), and textual role-playing games on the computer (such as *Adventure*, 1976; Aupers, 2007; Bartle, 2004; King and Borland, 2003).

Although the forerunners of *World of Warcraft* and related MMORPGs such as the multi-user dungeon were free, anarchistic play spaces designed by hackers on the Arpanet who did not claim any authority over it in legal, economic, technical or cultural terms, this has changed rapidly since the 1980s. Today’s virtual game worlds still promise unlimited freedom, but have evolved from alternative, countercultural free zones to major sources of profit in today’s ‘experience economy’ (Pine and Gilmore, 1999; Rifkin, 2001[2000]). Computer games today are no longer made by more or less playful amateurs, but are produced, marketed and sold by large corporations such as Sony (*Everquest*), Microsoft (*Asheron’s Call*, *Halo*), Blizzard Entertainment (*World of Warcraft*) and Linden Lab (*Second Life*). Given the towering investments demanded by their design and production nowadays – often more than US$100m for a single game – and the need to recover these enormous costs, games now need to be sold to millions of consumers worldwide, which demands professional distribution, sales and marketing. To give an indication: Blizzard Entertainment, the producer of *World of Warcraft*, maintains a team of 2700 employees, serves about 14 million active subscribers who pay US$15 a month each to play the game, and attains an annual revenue of no less than €1.3bn.

Although MMORPGs such as *World of Warcraft* provide their players with access to mythical, enchanting and otherworldly places that are uncontaminated by real-world imperfections and void of the vices of global capitalism, cynically speaking they are nothing more than commodities that are produced, marketed and sold to satisfy global capitalism’s quest for profits (Klein et al., 2003). Moreover, the content of the game worlds, including the online identities of players, is the intellectual property of companies and the environment actively controlled through various rules, codes and strategies (e.g. Humphreys, 2008). Even though their commercial success feeds on romantic yearnings for a world beyond modern society, the prevalent image of these games as enchanted islands in a vast ocean of disenchanted global capitalism is somewhat odd and ambivalent. We refer to the commodified status of these games as *first-order commercialization*: despite their otherworldly contents they are commodities, while their players, who pay
fees for access, are consumers. Nevertheless, the ‘tollbooths’ at which access can be bought from the companies who have designed and built these game worlds, and hence which commercially exploit them, are – in principle, at least – the only linkages with the ‘real’ world: no wealth or goods can be transferred from the ‘real’ world to the game world, or vice versa.

Despite commodification, under conditions of first-order commercialization the magic circle is preserved and the game world remains firmly distinct from the ‘real’ world. Players indeed experience the ‘real’ world and the game world as different, mutually exclusive and self-referential. They do not question first-order commercialization, and the latter does not degrade the enchanting appeal of the virtual game world. All things considered, today’s highly elaborate game worlds could not even have been produced had game design not become such a highly profitable source of investment since the 1980s. Hence first-order commercialization does not threaten the spirit of free play as described by Huizinga. On the contrary: having paid one’s entrance fee, one has the experience of being involved in ‘a free activity standing quite consciously outside “ordinary” life as being “not serious”’ (1950[1938]: 13). However, in the actual practice of playing World of Warcraft, the process of commercialization goes beyond this first-order type.

Second-order commercialization: real money trading

The border between the ‘real’ world and the game world is, in practice, less impermeable than it is intended to be. The magic circle and the spirit of free play that it protects are threatened by virtual goods that have become available at real-world markets: magical helmets, enchanting swords and game-world currencies (such as World of Warcraft’s gold pieces) can be bought and sold on eBay and similar virtual marketplaces. Even though this so-called ‘real money trade’ is typically against the Terms of Service (ToS) or the End User License Agreement (EULA) of these games, millions of US dollars and European euros are flowing worldwide every day, signifying the popularity of this trade. Some players sell their avatars for huge sums of money, ranging from US$100 to almost US$11,000, for the most advanced and proficiently geared avatar at the moment. Thus participants in virtual worlds engage in a sort of ‘shadow economy’ that is becoming increasingly important because of its connections to the real-world economy and its sheer magnitude. On the basis of the real money trade by players of Everquest, the economist Castronova (2005) has estimated that the gross national product of ‘Norrath’, the world of Everquest, lies somewhere between that of Russia and Bulgaria: i.e. in the upper-third layer of real-world economies. Players of Everquest, he also estimated, earn about US$3.50 an hour on average.

Although this trade started bottom-up, with individuals selling personally gained assets from inside these game worlds at numerous virtual marketplaces around the world, it has become increasingly professionalized and real-world companies that are specialized in this business have emerged. If one searches the internet, Google easily produces thousands of websites offering virtual money for sale, such as World of Warcraft’s gold pieces. Companies such as IGE.com or MOGS.com offer virtual goods for most of the popular MMORPGs and can be considered ‘Wal Marts of virtual commodities’ (Jin,
Another booming business is virtual real estate: virtual islands, houses and projects are sold for huge sums of real cash; the record being an ‘Asteroid Space Resort’ from the game Project Entropia for no less than US$100,000 (Dibbell, 2006). However, most amazing are the new trade relations that have emerged between affluent Western countries and Eastern low-wage countries. Asia has been witnessing the emergence of so-called ‘gold farming’, an industry in which youngsters play games that are popular in the West with the aim of selling the collected goods to westerners who are too busy, bored or lazy to conduct the necessary repetitive actions needed for this themselves. A closely-related service is to have one’s avatar ‘power leveled’, which means paying someone else to play one’s character to higher levels. This is not really a profitable job for Europeans and North Americans, because the salary would be less than what is paid at McDonald’s, but in China, US$200 a month is quite attractive for merely playing a game. Much gold farming takes place in 21st-century sweatshops, where Chinese youngsters coming from rural areas work long shifts of more than 10 hours a day and the harvest of virtual goods on American and European servers is going on 24/7 (Jin, 2006). The practice of gold farming has certainly become big business in China: more than 100,000 workers, Julian Dibbell argues, produce ‘the bulk of all the goods in what has become a US$1.8 billion worldwide trade in virtual items’ (Dibbell, 2007: 1). More recently, Richard Heeks (2009) estimated that roughly between 500,000 and 1m youngsters are working in the expanding gold farming industry and claims a total turnover of real money trading operations in China of US$10bn per year.

Thus the virtual game worlds of the MMORPGs have become increasingly connected to the real-world economy, making the border between both worlds increasingly permeable. We dub this process second-order commercialization, which is characterized by the establishment of all sorts of interfaces between virtual game worlds and the ‘real’ economy. These ‘economic bridges’ do not only mean that ‘commodification brings reality into virtuality’ (Bartle, 2006: 48), but the reverse also applies: a lively trade in virtual goods emerges within the ‘real’ economy. One can not only ‘buy oneself ahead’ in the game (with the ‘real’ world influencing the game world), but one can also make ‘real’ money by selling virtual goods and services (with the virtual world affecting the ‘real’ one). This two-way traffic of second-order commercialization goes a decisive step further than the first-order variety discussed above, because in the latter no ‘trafficking’ of money and goods between both worlds occurs, so the two remain strictly separated. However, second-order commercialization transforms the virtual worlds of MMORPGs into a kind of shadow economy. As a consequence, these games are neither ‘standing quite consciously outside “ordinary” life’ any longer, nor is gaming still an activity ‘of no material interests’ with which ‘no profits can be gained’ (Huizinga, 1950[1938]: 13). Unlike first-order commercialization, the spirit of free play of virtual game worlds is undermined and the magic circle erodes.

Certainly, those who commercially exploit these game worlds have declared these boundary transgressions between game worlds and the real world illegal, but in actual practice they hardly succeed in effectively guarding their boundaries so as to keep them pure and uninfected by commercial influences from without. Moreover, they have created the opportunities for these transgressions themselves by incessantly aiming for increasing players’ freedom and agency, in progressively loosening up rigid game structures.
Ironically, second-order commercialization is difficult to counter without sacrificing the very freedoms that constitute the major selling point of these games, and hence the source of profit of their producers. Those who commercially exploit these game worlds find themselves left with not much more than the possibility of incidentally removing ‘cheaters’ from the game by deleting their accounts. However, as the ongoing massive trade in virtual goods clearly indicates, this is not a very successful strategy for countering second-order commercialization and boils down to not much more than a symbolic gesture.

Yet, those who sell access to virtual game worlds look upon second-order commercialization with suspicion, because they fear that it will detract from the game experience and chase away their customers. Our study points out that this fear is justified. Although other studies (Consalvo, 2009; Lehdonvirta, 2005) have demonstrated that real money trading can be part of the play experience – especially when used as an in-game strategy by players themselves – most of the study participants express concern about the phenomenon in general. Unlike first-order commercialization, they do regard the ‘cheating’ that comes with the second-order variety as a threat to the spirit of free play and quality of the game experience. ‘Righteous’ players feel that real money trading is ‘just cheating, it’s changing the rules of the game, because you’re just not that good’ (Ken). The participants blame in particular the westerners who pay for these services and point out the sheer oddity of a phenomenon such as power levelling:

It cheapens the experience. Imagine paying for Disneyland and then paying someone to ride the rides for you: it makes no sense! (Tom)

Such practices create antagonism between ‘playing purists’ and ‘paying others’:

It makes the game less appealing, I don’t want to play in a game where the people playing don’t know what they are doing. (Ken)

As Percival argues:

They don’t ‘get’ the game. For example, buying a level 70 character on eBay, in full super elite gear, isn’t going to make you a better player. In most cases you will be laughed at, and pointed out that the character is bought.

These violations of the game rules have even produced violent attacks on Chinese gold farmers in World of Warcraft, some of whom have had to pay for their practices with their (virtual) lives (Dibbell, 2007).

Purist players feel alarmed and disenchanted by the intrusion of ‘cheaters’ in the magic circle and point out that second-order commercialization seriously alters the game. For example, one of the study participants, Steve, a World of Warcraft player, observes that cheaters ‘destabilise and ruin the whole [game] economy’ and ‘righteous players’ find themselves troubled, because ‘it’s no longer just skill, but money as well’. These players detest the increased domination of virtual game worlds by real-world wealth, just like the resulting reproduction of real-life economic stratification in these virtual worlds. It is feared that it will not take long before those with the most money will be able to buy
the best goods and gear in game worlds and come to dominate the highest levels. They are also concerned about so-called ‘mudflation’: ‘I have to spend 10 times as long doing something to achieve the exact same result as I did six months ago and 100 times as long as a year ago’ (William). This is a source of concern for many players, who argue that ‘normal people wouldn’t be able to buy ... normal things like semi-normal armor etc., because the [in-world] prices have been pushed too high. The economy in games is [now] driven by greed’ and indicate that they ‘would prefer if there had been something making sure things never got out of hand’ (Jo-Ann). Much to the dismay of many participants of virtual game worlds such as World of Warcraft, in short, Huizinga’s ‘limited perfection’ of play, protected by a magic circle, is seriously threatened by real-world economic powers and the imperfections that they introduce.

**Second Life: between artistic self-expression and commercialism**

*Third-order commercialization: a marketplace of virtual creations*

‘These MMORPG’s are cool, but what do we do next?’ (Ondrejka and Purbrick, 2006), the creator of Second Life (Linden Lab) asked himself, fully aware of the need to grant players ever-greater freedoms. With Second Life it created a virtual world that attempts to overcome the problems caused by second-order commercialization. It does so by means of what we call *third-order commercialization*: simply transforming commercialism into a central feature of the game itself, i.e. changing the magic circle into a free marketplace.

The result is an implosion of play and commercialism in a virtual world that offers more freedom than any of its predecessors. Second Life conceives of human beings as having ‘the need to create’ (Ondrejka, 2005), and therefore boasts a world where participants themselves imagine ‘user-created content’, reflected in its motto: ‘Your world: Your imagination.’ This means that technically speaking, as indicated above, Second Life does not even qualify as a game because by definition, games assume rules. However, it offers virtually unlimited freedom to shape one’s own identity, world and fantasies, and to sell these fruits of one’s imagination to others. It is void of any preconceived structure, intent or goal, and conceives of play as the opportunity to socialize with others, creatively invent and experiment, and sell one’s artistic productions to others. Whereas World of Warcraft still restricts player autonomy to ‘bricolage’ with pre-given virtual content, Second Life has made self-expression and trade crucial features of the game.

Although realistically built, Second Life constitutes an imaginary fantasy world with bustling entertainment areas (discotheques, movie theatres and concert halls), a diversified array of malls, shops and boutiques, educational centres and universities, middle-class suburban housing, parks, countryside, quiet beaches and much more. Second Life can expand infinitely and has reached the size of the Republic of Singapore already, while expanding every day (Ondrejka, 2007). It is built around three themes: ‘the world’, ‘the creations’ and ‘the marketplace’ (Linden Research, nd). ‘The world’ relates to the vast digital environment with an infinite variety of people and places. ‘The creations’
relate to its creative features: any imagination can be brought to life with powerful, highly flexible atomistic building tools. Indeed, one of Linden Lab’s chief technical officers underscores that in Second Life, ‘creativity proceeds at a pace shocking to the real world’ (Ondrejka, 2007: 32), due to the obvious advantages of virtual production and creation. In Second Life one wanders through and along the (potential) artistic work of others: buildings, art, music, clothing, accessories and much more. As players retain the intellectual property rights of their creations, they can buy and sell these at ‘the marketplace’, which can be interpreted as the allegory for Second Life’s capitalist underpinnings: everything has become a commodity with potential commercial value.

Despite these capitalist foundations, Linden Lab has provided Second Life with an explicitly ideological profile:

Welcome to the Second Life world. We are a global community working together to build a new online space for creativity, collaboration, commerce, and entertainment. We strive to bridge cultures and welcome diversity. We believe in free expression, compassion and tolerance as the foundation for community in this new world. (Linden Lab, nd)

Thus it is not merely suggested that fantasy can be turned into virtual reality, but also that this striving can be actually shared with all of those who find themselves in this virtual world. In a way this is actually what it does, as Nicole explains:

I love being able to meet people from all over the globe ... smart, creative, intelligent... Communicating with people from other countries, sharing ideas and expanding my knowledge ... It’s the people that make this place good.

It is particularly striking that the study participants accept Second Life’s capitalist foundations as unproblematic and indeed fundamental to its operation and seductive potential. Profit and competition, they maintain, coexist peacefully with play and creativity: ‘Second Life is a new outlet for self expression and is used extensively for creative and expressive purposes’, as Rod maintains. Habitual visitors to Second Life adore the possibility of creating their imaginations, emphasizing that ‘the flexibility and ease of collaborative creation leads to tremendous variety and experimentation’ (Ondrejka, 2005: 11). Whereas Caillois (1961[1958]: 5) characterized play as ‘an occasion of pure waste: waste of time, energy, ingenuity and skill [since] it creates no wealth or goods’, Second Life proves the opposite. Homo Faber and Homo Ludens are enjoying a happy marriage in Second Life, and participants deny any tensions between play and commerce: ‘I do like the way you can make something and share it with others in a controlled way, and go exploring in what others have made’, Maya recounts, while Brian says that ‘Second Life gives me an instant audience’. The drive for profit is certainly not omnipresent and Maya even remarks: ‘I don’t think any of us are purely driven by the profit motive’, but the vital point is that commerce and profits are not condemned as a matter of principle. ‘The capitalistic foundation of Second Life is not what bothers me’, Cathleen remarks explicitly, while Jerry states plainly that ‘everything you see is somebody’s personal creation, and you buy these items, so the creators get a reward for their creativity’.
Participation in Second Life is clearly not an activity ‘of no material interests’ by which ‘no profits can be gained’, as Huizinga’s (1950[1938]: 13) characterization of play has it. It is in fact precisely the blurring of boundaries between work and commerce on the one hand, and frivolous play on the other, that constitutes its major attraction as a world with unlimited opportunities for creative expression (Ondrejka, 2007). While second-order commercialization poses a threat to World of Warcraft’s virtual game world, Second Life manages to escape this fate by radically incorporating commercialism as part of the game. Or rather, it managed to do so initially because Second Life’s resolute implosion of play, work and trade has evoked unforeseen consequences in due course that do actually threaten the spirit of free play.

**Fourth-order commercialization: multinationals in the virtual world**

As Second Life has grown exponentially during the time of this study, the participants feel that it has lost some of its progressive, innovative and creative charm (‘when it becomes mainstream, it loses some of its magic’ – Stan) and they clearly regret this:

Look at us ... I am wearing wings and Qiar has a frog head ... [but] ... I have noticed a curious trend: when I go looking for live music events here, I am often the only non-human around.

(Maya)

Creative imaginations are apparently giving way to simulations of the real, and money has played a major role in this. Second Life’s in-world economy now generates more than US$500m a year through services and trade in virtual goods. The most notable financial connection to the real-world economy is Second Life’s official stock exchange, the Linden Stock Exchange, where residents can change their Linden Dollars for real US dollars. In 2007, more than US$6m was exchanged every month at the LindeX (Ondrejka, 2007).

Many of its longstanding participants deplore that Second Life’s mindset is changing to profit-making and accumulation of capital: ‘If you wander around in Second Life nowadays, you can see the Dollar signs in many eyes’ (Jo-Ann); ‘Many newbies ask where they can work, how they can earn money’, Cathleen complains. Now that participants are increasingly making real-life incomes in Second Life, commerce no longer merely performs the role of ‘driving competition and rewarding innovation’ (Ondrejka, 2005: 18). In-world consultancy agencies inform companies ‘how to do excellent business in Second Life’, and multinational corporations such as IBM, Nissan, Reebok, Nike, Toyota and many others have marched into Second Life for marketing purposes. IBM, for example, owns an entire island in Second Life, where meetings, brainstorming sessions and parties are held, while Nissan and Toyota provide participants with the opportunity to test drive their newest car models.

Unlike in World of Warcraft, manifestations of second-order commercialization are not forbidden in Second Life, which has set the stage for liaisons with the real-world economy. Because its makers felt that a strict separation of the two worlds posed too much of an obstacle to freedom and the game experience, they have made Huizinga’s magic circle
permeable, and hence fragile. As mentioned previously, Castronova writes about a ‘membrane’ between both worlds that is ‘actually quite porous ... people are crossing it all the time in both directions, carrying their behavioral assumptions and attitudes with them’ (2006: 147). As a consequence of Second Life’s format, economic liaisons between the two worlds have mushroomed, which has resulted in the game world’s gradual capitalist encapsulation. We call this fourth-order commercialization: the plain, open and legitimate colonization of virtual game worlds by ‘real’ economic powers. This type of commercialization in fact erodes the possibility to distinguish between the real and the virtual worlds.

The study participants are very much aware of this development. Their fears boil down to concerns about the homogenizing, universalizing and rationalizing consequences of the intrusion by capitalist ‘giants of flesh and steel’. As Steve maintains: ‘Virtual realities should allow us far greater freedom than we have in real life, but corporations will eat away at those freedoms.’ The participants feel that because of the invasion of corporate capitalism, the creative expressions of artistic individuals are doomed to suffer:

> We will encounter the same problems as in real life, they [corporations] will be able to buy stores far easier, they have far greater resources than an individual, they will be able to sell their products cheaper, they will most certainly not give things out for free and they will not allow their products to be modified. More conformity and similarity will be the result, and slowly all the independent creators will disappear or be bought out and self-expression will be limited again. (Rod)

Hence they fear not so much the upfront presence of capitalist corporations itself (there are, after all, always free zones to be found in virtual worlds such as Second Life), but particularly the ‘McDonaldization’ that accompanies their increased presence (Ritzer, 1993).

Some Second Life residents have even united in a political movement to resist Second Life’s invasion by corporate capitalism: the Second Life Democratic Movement (which emerged from the Second Life Liberation Army). This virtual social movement strives to counter the capitalist invasion of Second Life and aims for more democratic participation by critiquing Linden Lab’s hitherto autocratic governance. Besides organizing in-world rallies, demonstrations and mass protests, the Second Life Democratic Movement has demonstrated its willingness already to engage in more radical and violent protest:

> The bomb hit the ABC’s headquarters, destroying everything except one digital transmission tower. Just weeks before, a group of terrorists flew a helicopter into the Nissan building, creating an inferno that left two dead. Then a group of armed militants forced their way into an American Apparel clothing store and shot several customers before planting a bomb outside a Reebok store. (O’Brien, 2007)

Although a certain affinity with left-radical movements in the ‘real’ world cannot be ruled out, members of the movement that we interviewed deny that they act out of purely anti-capitalist motives:

> I am not against big companies as a matter of principle, but I’ve been seeing the Lindens start to funnel newbie orientation landmarks to favour the large companies. (Cathleen)
According to these participants, *Second Life*’s opportunities for imagination and expression need to be fostered, for if not, its special appeal is likely to evaporate very quickly. This leaves Linden Lab caught between the hammer and the anvil. On the one hand, it faces the need to accept (and preferably even please) the large capitalist corporations because of the attention, publicity and profits that these guarantee. On the other hand, Linden Lab is well aware that pleasing these multinationals seriously offends the creative would-be artists without whom *Second Life* loses its appeal and in fact cannot even truly exist. The participants are very much aware of this dilemma yet fear the worst, because Linden Lab alone decides what strategy it will follow:

So that’s what I’m holding my breath for right now ... Will they cave in and sanitize the grid to avoid bad media, scaring away big business? Or will they stick to a vision of a creative world where the residents make what they want, in their own corners and cliques? (Maya)

As Stan states, it may not take long before their ‘distinct fear that Linden Lab is “cleaning up” *Second Life* to a Disneyland image, so no big companies will be offended’ will begin to materialize.

**Game over?**

According to Huizinga, play takes place within distinct boundaries of time and space: a magic circle within which players can temporarily escape social life’s ‘serious’ duties and obligations. Play, he famously maintained, is unconnected to ‘material interest’ or ‘utility’ and, above all, it offers the experience of freedom. In many contemporary media and game studies, Huizinga’s position is regarded with ambivalence, especially when applied to MMORPGs. On the one hand, his formulation of a strong-boundary hypothesis (Pargman and Jakobsson, 2008) is generally contested since it cannot account for the cultural, social and economic traffic that permeates the borders between the real world and the online game. Because of this development, academics continue to express concerns about the influence of commercialization on the game world. Such critical considerations are sometimes inspired by neo-marxist thought (e.g. Klein et al., 2003; Rettberg, 2008), and sometimes are based on romantic considerations about the ‘true’ nature and function of games (e.g. Bartle, 2004; Castronova, 2005) – but they all echo Huizinga’s dualistic view on the incompatibility of the spirit of free play and modern capitalism.

Beyond such generalizing and essentialistic claims, we distinguished four different orders of commercialization that impinge on online game worlds and studied empirically how each of them is evaluated and negotiated by players themselves. Our analysis clearly demonstrates that the image of a one-dimensional process of commercialization that threatens the magic circle of the game world is too bold and utterly problematic. Although some orders of commercialization indeed pose clear threats to the spirit of free play, it is equally clear that others do not. That commercialism and play are quite compatible is demonstrated by the first and third order of commercialization, i.e. the game as a commodity and the implementation of a free marketplace of user-generated contents in the heart of the game world. Since these orders ultimately promote consumer choice, individual freedom and
agency – at least in the experiences of players\footnote{1} – they are not understood as a threat to the magic circle. Quite the contrary: they facilitate and become part and parcel of the magic circle respectively. The liberal ideology of the free market – embracing a culture of free enterprise, consumer sovereignty and understanding the individual as ‘essentially self-defining, as achieving identity through choice rather than ascription by a social order’ (Slater, 1997: 39) – seems quite compatible with the spirit of free play.

On the basis of these findings, we agree with T.L. Taylor (2006: 153) that ‘nondichotomous models’ are helpful to enhance the understanding of the complex relationship between capitalism and play. Dualistic models, maintaining too strong boundaries between the virtual and real, public and private, production and consumption, work and play, can no longer fully account for developments in the field of new media disturbing such typically modern distinctions (e.g. Dibbell, 2007; Taylor, 2006; Yee, 2006). However, at the same time our analysis shows that we should not be too hasty to fully debunk dualistic models about play and commercialism, or label such models as ‘zombie categories’ (Beck and Beck-Gersheim, 2002) – theoretical perspectives that no longer fit the reality of a rapidly changing social world. The other two orders of commercialization, after all, are not so much understood as liberating forces but as commodifying and alienating powers: they are perceived by players as real world economic systems threatening to transform play money into real money; unique, virtual creations into standardized commodities; and fantasy culture into real modern culture. Such orders of commercialization that impinge upon the game world do threaten the magic circle, according to the study participants, precisely because they undermine their in-game liberty.

Contextualization is key to fully understanding the complex relationship between play and commercialism, as our exploratory study demonstrates: players attribute different meanings to different types of commercialization. They embrace the liberal ideology of the free market, but once this attracts ‘real’ business players – established organizations systematically striving for profit – they fear its commodifying powers and alienating consequences. Whereas Huizinga’s influential ideas about the incompatibility of play and commercialization is highly problematic and should be nuanced and contextualized, his observation that play is ‘free, is in fact freedom’ (1950[1938]: 8) was right on the mark. More than other dimensions, it seems, feelings of in-game agency define the magic circle of MMORPGs and prove to be the players’ litmus test in their evaluation of different orders of commercialization. Players of online worlds may negotiate the different faces of modern capitalism, but they do not compromise their freedom.

Notes

2. This planet is only available to those who have bought and activated the expansion pack (The Burning Crusade).
3. The races are split into two diametrically opposed factions, the Alliance and the Horde. The Alliance currently consists of Humans, Night Elves, Dwarves, Gnomes and Draenei. The Alliance currently consists of Orcs, Tauren, Undead, Trolls and Blood Elves. The Classes are Druid, Hunter, Mage, Paladin, Priest, Rogue, Shaman, Warlock and Warrior. Classes are, however, partly determined by race. Night Elves, for example, can only be Druids, Hunters, Priests, Rogues or Warriors.
4. Narrativists such as Murray and Manovich have suggested that videogames are similar to other new media, in the sense that they perform storytelling functions.

5. Pseudonyms have been used to protect the anonymity of the study participants.

6. According to an online game magazine (Weigmans, 2007), this has probably been the largest amount of money ever paid for a World of Warcraft avatar. However, Blizzard Entertainment deleted the account after it found out about this illegal transaction.

7. Mudflation is a contraction of MUD (multi-user dungeon, predecessor of MMORPGs) and inflation.

8. Such as marginal costs for experimentation and research and development, reduced learning costs, low-friction micro-transactions, limited start-up costs and no or marginal costs of reproduction.

9. Although Second Life has proclaimed its contents to be ‘imagined, created and owned’ by those participants who created it (Ondrejka, 2007: 30; SecondLife.com), a remarkable change has recently appeared on its website: the contents are now only ‘imagined and created’ by its inhabitants. Whether this indicates a fundamental change remains uncertain (see: http://terranova.blogs.com/terra_nova/2007/10/residents-no-lo.html). The question of intellectual property of virtual items has always been a very confusing and ambiguous debate, and is still not resolved, even though it appeared well arranged in Second Life.

10. In his famous A Declaration of the Independence of Cyberspace, John Perry Barlow (who once wrote lyrics for the Grateful Dead), originally used this characterization to refer to governments, but later on it was also used to refer to multinational corporations (see Perry Barlow, 1996).

11. From a Neo-Marxist perspective, for instance theories inspired by Althusser or Horkheimer and Adorno about the ‘culture industry’, such experiences of freedom can of course easily be understood as ultimate signs of alienation or even a ‘commodity fetishism new style’ (e.g. Aupers, forthcoming, 2011).

References


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