

A hand on the left side of the frame points its index finger towards the face of a virtual woman on the right. The woman has pale skin, blue eyes, and is shown in profile. The background is a soft, out-of-focus grey. The title text is overlaid on a semi-transparent dark grey rectangular box.

SETTLERS OF THE NEW
VIRTUAL WORLDS

Settlers of the New Virtual Worlds

BETHKE/HOFFMAN



Edited by Erik Bethke & Erin Hoffman



“Humanity has always lived in both a ‘real’ or physical world and also in a ‘virtual’ world. The real world demands that humans engage in labor intensive tasks in order to biologically survive. The virtual world occurs during leisure and makes no demands, and yet it is also part of the ‘biological imperative’, for its function is to enhance one’s humanity. While the real world requires food gathering, sheltering, and procreation, the virtual world offers re-creation through music, drama, dance, art, myth (literature), and games. Someone once wrote ‘God the creator—man the recreator. What does man re-create? He re-creates his spirit or life force.’

Unfortunately, throughout the ages, there have been those who have not only downplayed the virtues of recreation and its modalities, but have negated its life generating force—indicating that recreation is destructive to the real world. These negative voices have been around since the dawn of time, yet humanity continues to ‘sing instead of talking, and dance instead of walking’, and continues to invent games.

Indeed, in spite of the nay-sayers throughout the centuries, the ‘business’ of recreation is thriving, growing, and the virtual world will continue to flourish alongside the real world.”

—*Dr. Elliot Avedon, Professor Emeritus,
University of Waterloo*

“ ‘Getting stuff? In AR?’ Konstantin felt lost.

‘Yeah. Stuff in AR. In the Sitty. Everyone who goes in regular’s got stuff in AR.’ The night manager folded her arms again. ‘What kinda stuff you think I got out here? This nothing job? I got to put up with blowfish like Miles Mank, I live in a hive over on Sepulveda. But in the Sitty, I got *stuff*. I got a good place for myself, I’m in the game with the name and the fame. I even got myself a few passwords. I put in plenty of time and sweat to get all that and I don’t want it just slipped out from under me when I’m not there to defend it.’ The funny little face puckered unhappily. ‘*You* got stuff out here, you don’t need to go poachin’ my stuff in there. You see what I mean?’

Konstantin saw; it sent a wave of profound melancholy through her. ‘All I want to do is contact Body Sativa if I can,’ she said kindly. ‘I don’t want anything else. *Really.*’

Pleshette held her gaze for a long moment and then shrugged her bony shoulders. ‘Yeah, well, you know, it’s not like *I* can’t tell the difference between in there and out here, it’s not like I think I can put it all in the bank or anything. But I put a lot of time in. I spent some big sums doin’ it. If I give it all away, then I got *nothing*. It was all for *nothing*. See?’

Konstantin nodded, wondering if this was the sort of thing a person might kill for. It was beginning to sound like it.”

—*Pat Cadigan, Tea From an Empty Cup, 1997*



“[A]nother report out of China tells the story of a 41 year-old man who stabbed an acquaintance who stole his ‘Dragon Saber’ in the MMO *Legend of Mir III* and sold it for approximately \$1,000. Initially, the injured individual sought the assistance of the police, but was told that the theft was not a crime, since virtual property is not covered as a protectable asset. Thereafter, the individual attacked the alleged thief at his residence.”

—*Sean F. Kane, “Virtual Property, Real Law”, p. 42*

“We still don’t really own anything. We rent characters, and that rental agreement frankly sucks.

The problem is the crux of that agreement we sign when we log on. It basically states that we don’t own our characters, nor can they be traded for anything of value in the real world. This indemnifies [SquareEnix] from liability should things be destroyed, as well as making sure they have the authority to ban cheaters and prevent RMT activities. It’s a nice system. It’s also entirely too simplistic for the situations it’s being applied to.

The contract is entirely too simple because it doesn’t go into any specifics about what I do and do not own. It should. Hell, the damn thing should be 4-5 pages in length at least, and go into specifics about what I am and am not allowed to do. It doesn’t because people don’t want to spend money to legally defend all provisions of that, and they want room to punish people who might otherwise work that contract for their own benefit or challenge sections of it in court. This is an industry wide problem, not just SE. However, if you blacken enough eyes over things like this, perhaps the industry will wake up and start actually providing the massive agreement we actually need for MMOs instead of these little 2 page cop-outs...

Fix the contract. Make it gigantic and actually worth reading. Give me real rights to things I pay for. I’ve sank several hundred bucks into this game since it started. I’d like something realistic for that. Not the bullshit agreement someone tossed up when they weren’t sure the game would fly. It’s not just SE that has these problems, the industry itself is riddled with them. You’ve got to start somewhere, though. Virtual items need to have some kind of value, even if it is just access to those items. No one addresses this right now, and it’s sorely needed.”

—*Kitalrez*, **FFXI**, 2008



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INTRODUCTION: AN OPEN LETTER TO VIRTUAL WORLD BUILDERS



In the chaos created by the business environment, trends in the industry, and pressure from investors, it often becomes easy to diminish the priority of things that are truly important, things that rest at the core of why we do what we do. When this project started with Erik's presentation at Casual Connect 2007, neither of us yet estimated the impact our claims would have on the online game community. In a world and a media that is as yet unprepared to acknowledge the impact of online interactions, even from within this development community, it is easy to forget the meaning behind our endeavors.

Settlers of the New Virtual Worlds asserts that these interactions are important, and that they will inevitably become more important as technology and society progress. We assert that the corporeal nature of an object is not the definition and limit of its value, and we assert that worlds of the mind should be accorded the same respect as worlds of the body. It is easy, perhaps even trivial, to dismiss the value of these worlds and their inhabitants, particularly when, as human beings, we have so many charitable causes, so many sources of suffering in the body-world to address. But we do not believe that one source of injustice minimizes another, nor excuses inaction.

We are not merely dictators or lone pure creators—the virtual world builders of today are businesspeople with a vested interest in the health of their populace, from which the labor that begets our wealth originates. In this much we have evolved, and so, too, have our players, into a powerful symbiotic entity. It may be, as Raph Koster says, that as gods we are a dying race, that one day there will be no lone creators, no admins—but until that day comes, for our shared prosperity we must recognize that our fates are directly linked with the well-being of our citizens. We make dreams, and desire players to share them; we should not punish them for doing so, and for coming to love what they create inside.

This concept is hardly innovative. Smart world maintainers have exercised acknowledgement of symbiosis since the birth of the virtual world. What we seek here is to formalize, systemize, and empower active cognizance of that relationship; a relationship that an End User License Agreement frequently exists in direct opposition to.

EULAs historically have followed the path of least resistance. What we instead seek to offer is a path of active vision. Rather than mitigating potential liability, we seek to chart a new path toward a vision of the future.

ALL PROPERTY IS VIRTUAL

Futurist Ray Kurzweil lamented in his 2008 address at the Game Developers Conference the use of “misleading phrases” in the language of technology. “‘Artificial intelligence’ is real intelligence,” he said; “‘Virtual reality’ is real reality.”

We could not agree more. These terms, invented as linguistic bridges for those foreign to their concepts, will certainly eventually disappear. When the world becomes familiar with online worlds as the meta-realities they are, the term “virtual reality” will be unnecessary; a person will say “I will be at my home in Second Life” in the same way they might say “I will be at the local library.” No verbal filter will be necessary.

When considering the shedding of unfair terminology, however, it is necessary to consider reclamation of misused words, and, as property ownership has been historically and continues to be integral to the establishment of basic rights, we offer the following thought experiment:





What “property” is not virtual? What does it mean to own something? What observable (“real”) effect does ownership have on a given object?

Can it be perceived without foreknowledge? Can it be discerned visually? If ownership of it changes, can we see that change on the object itself?

We assert here, in part, that all property is virtual; that property ownership itself is a mental construct that ceases with our collective will. This is the level of deconstruction necessary to distill the meaning of “virtual property”. “Virtual property”, Ray Kurzweil might say, is real property.

The questions this statement raises, however, are many. Our contributors attempt to answer some of them here. But throughout this process it has been our intent to pierce the fog of common assumption with the clarity of future vision, and to ask “how?” rather than concoct reasons to halt the trajectory of progress.

A surprising number of these questions are phantoms, answerable by inquiring how the same problems are solved in their corporeal counterparts. Taxation is an issue that arises quickly, and yet over the last three years seems to have peaked and faded; it is clear now that the generation of income, in most countries, implies a tax responsibility. Most governments have not yet adapted to the speed and difficult traceability of online transactions, as witnessed by the online transactions of “real” property on websites like eBay and Craig’s List—most of which occur under the radar of the IRS and other tax organizations. In chapter four, “Dragon Slayers or Tax Evaders?”, Julian Dibbell addresses this question of taxation and its place in the future of virtual space. Similarly, readers instinctively ask “what happens if the developer dismantles the virtual world?” once it is the container of valuable virtual property; and, it follows to a lesser extent, “what happens if the developer downgrades (‘nerfs’) a previously valuable item?”.

The reality is that history is rife with examples of precisely these things. Governments fall, countries (also virtual items, existing through widespread assumption of their existence) disappear; profit is lost. The stock market (which also trades in virtual items) works in precisely this way. “Real” property is certainly also not immune from obsolescence; try to resell a computer the day after you buy it, drive a new car off the lot of its dealership, and you will immediately find that it has been severely nerfed. Despite all this, people pay taxes, invest in stock, and purchase electronics;

the world does not dissolve.

Other questions are more complex. If a virtual world is aware of the value of its contents, is it then obligated to retain in liquid form a guarantee of the currency equal to its value, like a casino? If an online game deals in virtual currency with a real world currency standard equivalent, is it a bank? Some worlds are already in the process of solving these questions; others remain to be solved. We do not pretend to address them all here, but we intend to make a start; to begin answering the “how?” as well as the “why?”.

It has been an amazing journey. Through a process of discovery we learned that we stood on the shoulders of giants. The clearest immediate predecessor to *Settlers of the New Virtual Worlds* is *State of Play: Law, Games, and Virtual Worlds*, presented by Jack Balkin and Beth Noveck. Prior to this was Raph Koster’s “Declaring the Rights of Players” from 2000, which we include here as chapter eight.

Despite these predecessors, Erik’s call for human rights in virtual space in 2007 came independently, before later research revealed them. What this reinvention indicates to us is that these concepts are in that dangerous category of the invisibly obvious, ideas whose time has been long in coming.

NATURAL PROGRESSION

Because our protectiveness, as creators, stems from our personal value of these worlds, it has been a difficult road to reach enlightened comprehension of how best to protect it. It does start with an acknowledgement of that value: what we are talking about on a fundamental level is the expression of our humanity.

Because the parallels are so natural between issues of virtual property and “real” property, and because of the project’s initiation with Erik’s galvanizing comparison of the North Korean Bill of Rights to Second Life’s EULA, we turned first to the history of human rights—and quickly found that this language immediately set about half of the online world developers we talked to on edge. Human rights, or any concept of rights in an online space, would seem to immediately diminish the rights of the creators, which have a history going back to MUD days of referring to themselves as “gods”.





In the end, the language of most efficient communication on these issues, as Raph found, was one of rights and humanity; of empowerment over oppression, of ownership over infringement. But the basis for this action is ultimately one of survival and practicality.

From a human angle, we do credit the importance of these issues as being on the level of the human and on the level of rights. It seems purely naïve, given thousands of years of human history and the development of various civilizations, to ignore such clear prototypes of human societies that we now bring to the digital level. But what we are observing is both a natural progression perceived in growing human societies throughout history, and a natural progression toward enhanced, enlightened customer service in modern business.

In *State of Play*, Richard Bartle says of his staunchly guarded godhood rights, “I am not happy for them to be taken away through ignorance by external forces.” It is precisely the influence of outside forces that have propelled the seizure of rights in human history, and in the competitive business environment.

The onus is upon us, as creators of virtual worlds, to carefully examine these issues not just from our perspective, but those of our constituents and symbiotes, lest they resort to a higher authority to wrest equality from us. That higher power, if players are left with no other recourse, may be governmental in nature—or it may simply be another virtual world that provides the level of investment, establishment, and trust that they seek.

With chapters five, six, seven, eleven, and twelve, we take a close look at the player experiences and human approach to virtual worlds both to show the ethical requirement for human rights in these spaces—to show that we are dealing with the lives and hearts of real people who invest their real lives into our imaginative spaces—and to demonstrate the powderkeg on which we all rest. We create worlds of the mind, and in so doing we become beholden to those minds that join us (recalling Antoine de Saint-Exupéry’s famous quote: “you are responsible, forever, for what you have tamed”). With the taming of the Wild West that currently comprises virtual space, we inherit vast potential—and equal responsibility.

Because the future isn’t just coming—it’s here. At the time of *State of Play*’s writing, *EverQuest* was the largest online environment, boasting 770,000 users. *World of Warcraft* now outstrips that figure by an order of

magnitude, with over 10,000,000 users and counting (a number that will certainly be obsolete by the time of this book's publication). We have entered a brave new world of virtual spaces, one that demands new rules; a paradigm shift.

It is not our intention that the BetterEULA project should dwarf or limit innovation or creativity; rather it is our ardent intention to safeguard it. Our EULA structure, as you will see in Erik's closing chapter "Why Build a Better EULA?", provides the building blocks for an assortment of virtual worlds, from Ted Castronova's "magic circle" closed world to the open and fertile creative economic fields of GoPets. The magic circle, when it collides with the massive populations supported by current games, takes on entirely new function, and entirely new dangers to developers and players alike. As developers, we can either analyze the emergent properties of these worlds, the rights that players will inevitably demand and the law that will follow them, or we can cover our ears and enjoy the descent.

We believe that the time for analysis and prevention is now. And we offer this question to any who might disagree:

When, exactly, is it too early for human rights, and for the compassionate consideration of value imbued by human beings? ❖





PART ONE:
PRESENT

WHY BUILD A BETTER EULA?: ORIGINS

ERIK BETHKE

I am at the moment back in the air over the Pacific Ocean. I spend a lot of time in aluminum tubes—very small worlds with a front, back, two aisles, and rules about when you can stand up, eat, use your phone, even where to sit. It amuses to me to think about writing about rules in online games and worlds while in the purgatory nowhere of a Boeing 777-200.

The food cart has collected my Korean rice and vegetable dinner called “pipimbap” and, appropriately enough, I am off to once again expound on the virtues of the Korean pioneered item-based model for online games.

I At this year’s Game Developers Conference in San Francisco, there was an immense amount of excitement and energy about the “free to play” business model, with many sessions devoted to the topic and an innumerable number of VC sponsored dinners to bring people together in the broader category of online, casual, facebook, free to play and so on.

With all of this energy for the new business models, and the company of GoPets to run, why could I possibly think that it is a good idea to stir up a mess around property rights - and even more outrageous: why human rights in online worlds¹?

My reasons for working to build a better EULA for online worlds is a deep and passionate resonance for the spiritual humanity of the time that I have spent both in developed online worlds, as well as worlds that are still in development and finally just pocket places in my mind that I travel to and “be-in” when I am working on their early game design.

Allow me to wander through some stories...

In October of 1994 I had finished working on my masters of Aerospace Engineering and had just got back to Los Angeles from Oahu where I spent six months with a friend of mine goofing off installing computer networks for offices. I had always loved computers and games and even wrote some text and 3D wireframe adventure games and some other stuff starting with my Voc-20 in the 5th grade. After working at JPL I had no desire to work for big government aerospace despite my dream of seeing Mars terraformed and my reason for getting an education in the first place. I really did not know what I wanted to do. Looking through the Los Angeles times jobs available I called up a game company called The Dreamers' Guild that was looking to hire some programmers.

With an Aerospace Engineering degree I had plenty of Fortran, and before college, Pascal and Basic of course, but I had never used C or C++ let alone assembly. But what the heck, I thought, why not call them up? So I did, and then the creative director of the company, Robert McNally, got on the phone and asked me to describe the game I would like to make and play if I could make any game.

I told him, “I want to sit on top of an armored horse, in full battle armor. With the morning sun just an echo behind the misty clouds. Steaming breath comes out of my horse’s mouth, and then I look down the line and see 50 more of us in full battle gear...”

¹ I believe that good online games are pleasant pastimes, and that great online games occur when users invest large amounts of time, creativity and capital into these games. With great investments of time, creativity and capital I feel that the games transcend into being worlds. Thus, I fully reject the separation of virtual worlds from online games. Just to annoy everyone I will introduce the term online world to bridge that gap between the two camps.

He didn't freak out or otherwise indicate that this was inappropriate of a response on an interview call, so I continued...

"...and I nod down at that row, then close my visor. My horse would rear, and then in an unholy ball of starving rage and violence we would fly down that rock and grass hill and smash into the castle that had refused to yield to our guild."

I was called in for an interview and despite the technical directors objections that I did not know C or C++ or in any other way be immediately useful to him I was hired to join the Dreamers Guild.

14 years later and just a few weeks ago I got a call from Kyle my 6-year old son (Korean kids get mobile phones starting at about 5 or 6) while as I was preparing for another evening at the office. He asked me to play Battlegrounds with him in *World of Warcraft*. I blinked in surprise and in a second decided that hell yes, I am going right now and play WoW with my boy!

In a few moments we met at the Horde Battlegrounds mustering area in Shattrath City. Kyle jumped up and down and did "/say I love you Daddy!" This resulted in about 60 or so fellow Korean Horde Player Killers starting an impromptu English lesson with, "I Love you too!", "Hi, nice to meet you!" And so on going on for two minutes until our Eye of the Storm session started.

There we were, high atop an improbably balanced rock in a Netherstorm, I on my black war Kodo and him on top of his white Frostwolf AV wolf mount. The timer counted down, the bubble lifted, and we crashed down the rocks off to go slaughter ally scum in a primordial bonding of father and son on the hunt.

So it took me 14 years to arrive at that time and place that has motivated me from the beginning in games. I have earned my gamer chops on all sorts of games, of course, and have decent skills in many genres, but it is the siren call of living alternative lives in other places that compels me.

I feel very proud as a father that my son Kyle is truly excellent at WoW. He knows and can play every class of WoW at level 70 full-pvp play. (He has access to many characters beyond the ones that we have leveled up inside the family to include those accounts we have purchased.) I frankly

think it is a more intimate and well bonded relationship that we take the dog out for a walk and play outside for a bit, grab some coffee, and then head inside away from the brutally cold Korean winters and explore, quest and kill other human players together, as compared to the guys that take their kids to soccer practice or *tae kwon do* and read the sports section until the after-school daycare session is over.

I often think about how lucky my job is—I get to make games for a living. That is just amazing. It is a wonderful hobby, making games, and I get to be paid to do it, and I help others also have a solid career making games. For many other folks, though, jobs are a lot more physically demanding, more dangerous, certainly more boring and in many cases simply a waste of the intelligence of the people working those jobs.

I like to think about a young guy in his 20s who works in say one of the sprawling California desert communities—let’s say Barstow. He has a job at one of the mega Exxon-Mobil gas stations doing his job to deliver his tiny fraction of the \$100b in revenue for the quarter. He does so by selling cigarettes, beer, soda, and potato chips to families on their way to Las Vegas or on their way back.

However, at night after his shift finishes at 11pm he heads home and fires up WoW and takes command of his guild and leads a group of 150 dedicated followers through various raids and quests. He educates new members, brokers efficient trades between the crafters, and comes up with events and meta goals to keep the group playing together. Recently the guild’s website & forums have seen a lot of traction, especially in the PVP Arena forums that people are really getting into recently. As he plays from midnight to 8am, he is fully engaged with dozens of other online players both inside his guild and outside answering questions, giving encouragement, arbitrating disputes—in short he is a leader of a tribe living in an online world.

Whether he votes for Clinton or Obama, I do not see his cigarette sales job even remotely comparing with the humanity of his life inside of WoW.

We are now creating new worlds that truly do realize the imagery of the cyberpunk novels, that now provide a more useful expression of what it means to be alive than what the regular real world may offer.

That is why I think it is now time to be purposeful about how we will live in these worlds. It is now time to build a better EULA.



Last summer I was at Stanford participating in a panel on virtual goods and it felt all good and heady. After the day's sessions were over, the panelists and some of the members of the audience gathered on the stage to chat about what just happened. All agreed that Big Stuff™ was happening.

It felt great and fun, and then my buzz was killed when a fellow developer announced “Oh fuck that, and fuck them. The users are just guests in my bar and if they piss me off I will just kick them out.”

I was actually stunned for words (those who know me would testify that this is rare). I turned my head and focused on my colleague, CEO of an online casual gaming site, trying to figure out if he was sincere or if it was bravado. This guy is a flamboyant and friendly person who lives and works in the Bay Area—liberal and genial by any definition, and yet his words grated against my mind.

It was sincere. From that moment the better EULA project was born.



I do not take silly rules seriously. When I wanted my Korean programmers to work overtime once I made a bargain with them that I would buy them new WoW accounts. They could create a new character, choosing its look, name, class, and secondary professions and I would pay the \$300 for Chinese pros to level them.

My wife used to buy gold occasionally until the advent of the plentiful gold post-daily quests.

I have also bought WoW accounts, including a Paladin-Mage-Druid package to help flesh out our Warlock-dominated family set of characters with some tanking and healing capabilities.

One day shortly after Burning Crusade came out my wife asked one of

our Korean employees to buy 4,000 gold for her. A day after he delivered the gold to her, his account was banned in one of the automatic drag-nets. Imagine how awkward this situation is. My employee, who is very active in guild play, loses his multiple level-70 character account because he wanted to do my wife a favor. Simply buying him another account will not work, nor will leveling a new character. His characters have suffered a state execution from Blizzard. This is what he did with his time when he was not looking after our GoPets servers to be sure they were up and running. Now they were killed and somehow I have to fix it.

So I called a friend of mine at Blizzard and explained how they actually must fix this. At GoPets it is an employee perk to have a WoW account and so we had over 50 active WoW accounts and I demanded that they simply turn that account back on. I felt I was by far too important of a customer to be casually discarded in an automatic script that is offended by purchases of gold coins.

Under my duress my friend relented and the account was re-enabled. However, tens of thousands of other accounts have been killed by WoW. It boils down to the fact that I was a minor feudal noble who had enough economic leverage to reverse a decision of the sovereign Blizzard.

To me it is completely illogical that I have a Bank and a Backpack and an Inventory and that I am free to trade, sell, and buy on the auction house inside of the game, and I can purchase gold with a 20-stack of Netherbloom, or Adamantite, or a purple-epic drop, but not a dollar.

Players are deeply reinforced with the possessive pronouns leading them to believe, think, expect, and interact with the digital goods inside of online worlds with the full understanding that it is their stuff. And yet, looking through the EULA it turns out that the players own absolutely nothing and that every sense of ownership is a fiction—a lie bound in contract by a mouse click on accept.



Last summer at the Casual Games Associations conference in Seattle I presented my first talk exploring the Better EULA. I decided to play a trick on my audience and lie to them for a while. I have never done that before, and I have not since. But I was looking for some dramatic impact to drive in how serious all of this really is.

So I started off with overview of the North Korean constitution and what rights the citizens have, and what rights does the state has:

Selected Rights of the North Korean Government

- Summary execution of citizen;
- Summary exile of citizen;
- Summary confiscation of property;
- Summary confiscation of currency;
- Arbitrary and continuous monitoring of all actions and speech of all citizens;
- Judicial actions are secret and citizens even in exile or executed must keep judicial actions secret or be subject to further prosecution;
- Citizen’s family are subject to summary judicial actions at the sole discretion of the state;
- The State recognizes private intellectual property—however citizens automatically grant a royalty-free, perpetual license to the State if the State determines if it is necessary for the improvement of the State;
- “Buy” and “Sell” are to be interpreted as a temporary suspension of the socialist system to an event that resembles a market transaction that may be at anytime prevented, reversed, dissolved or otherwise determined by the state;
- Redress limited to 100 North Korean Won.

After going through all of these points I had thoroughly depressed the audience, many of whom were trying to figure out how they landed in a geopolitical lecture on North Korea when they were looking for some ideas about their online games.

I got everyone nicely pregnant with sullenness and glum and announced that I had been lying to them and, in fact, it was the Second Life EULA that I had just summarized for them. Second Life, the very beacon for progress in online living, turned out to be just vaporware at the legal level.

Second Life users were no better off than peasants².

² For the record here is an overview of the rights that North Korea offers at least on paper to its citizens...

1. Health care—Free and Universal
2. Education—Free and Universal (Nursery to College)
3. Private Personal Property (home, garden, including inheritance)
4. Private Cooperative Property



Communism and Totalitarianism have been soundly defeated many times in the 20th century, although at costs of greater than 100m people to prove the point that individuals plotting their own course through life is more positive and creative than any form of state planned economy.

The colonies of the young America revolted against the British Crown and declared themselves independent and fought a long and bloody guerilla war for their human and property rights. They did this with just 4 million people as a total population, let alone the much smaller population of landed men who essentially maintained the political franchise in the new republic.

Think about it: early America was just 40% of World of Warcraft today! While I have given many talks emphasizing how successful WoW really is and that I feel that the consumer business press woefully under-discusses WoW, I really have come around to believe that WoW is now the single largest failure in the online worlds business.

Let me explain. The revenues are huge, well over \$1b a year, WoW turns out the equivalent of a Hollywood super block-buster every single month and just gets stronger. It has produced enough cash to enable the Activision-Blizzard merger.

And yet I still argue it is a massive failure. I am not criticizing WoW to say that it needs better graphics, special effects, more levels, more classes or to fix the imbalances in Alterac Valley. The reason why I argue that it is the biggest failure in online world history is that instead of 10m users, I believe that WoW should have actually between 50m and 200m users. My belief is that essentially as a professional game designer able to judge its entertainment value as well as my direct observations that just about anyone, from any age, male or female who gives it a play to level 10 is hooked and loves the game.

Previously the industry thought that the *UO* or *Everquest* 400k user was the limit, then we saw the 1m Asian *Lineage* and *Ragnarok* 1m user limit,

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5. Private Foreign Property
 6. Environmental protection priority over industrial production
 7. Universal and equal suffrage at 17
 8. Remunerated according to the quantity and quality of work performed

and now we have the 10m WoW user limit. Bobby Kotick, the CEO of the new Activision-Blizzard, recently quoted that he believes that it now costs on the order of \$500m to have a 50% chance to compete with WoW. So, 10m users is now accepted as the new player limit and yet I believe that it should be 5x or 10x higher.

I believe that it will be difficult to make a game with 10x more fun, or even much more of a world-wide audience as WoW already is on most significant world markets other than Japan.

I believe that it is the End User License Agreement that is holding WoW back. Users are investing hundreds and thousands of time into WoW, and yet all that they have invested maybe torn away from them in a moment without any remedy (unless you can call your buddy at Blizzard directly).

Without due process and without property rights formally recognizing this investment of time, money and creativity the WoW user is a chattel slave of the state whose only role is to invest more and more. It is truly awe inspiring the cottage industry that surrounds WoW from Thottbot, to WoWwiki, to hundreds of more fan sites.

Of course it is not in the interest of Blizzard to ban too many accounts of decent players and Blizzard is motivated by market forces to try to figure out which accounts “cheat too much” and which accounts should be passed over. Gold trade by its very nature in a social game is very difficult to define. Most players enjoy gifting gold to new players and friends just getting started out, others enjoy making gold on the auction house as a game to itself and up with extra gold, others make a ton through farming raids, the daily quests or in many other ways. Sometimes players are husband and wife or boyfriend and girlfriend and the boy has an age-old desire to make his girl smile and be happy and so he goes about collecting the 5000 gold necessary for the Epic Mount. Or perhaps two college buddies chose to bet on a football game and the loser has to pay 100 gold?

See, way beyond the trite and simple case of buying 10,000 gold from online auction site there are innumerable transactions between players who truly enjoy trading and the auction house—obviously Blizzard understands this and shipped the game with player to player trade and auction houses.

So where to draw the line between a “good player” and a “bad player” is

fuzzy and ill-defined, and will be drawn by a script running on thousands of accounts. Only the users persistent enough to write to customer service multiple times get the occasional low-ranking grunt customer service 60 second review of their situation. And if for any reason that customer service fellow chooses not to align with the player, then that account and the hundreds or thousands of hours of time, and all of the relationships, laughs, tears, frustrations and joy of that time are torn up and thrown away as if it was just digital trash.

With the current EULAs used in online worlds the player without human rights, property rights and due process is just digital trash. Essentially each one of us is just a pleasant AI engine that we pay for the pleasure to amuse the other pieces of digital trash.

With a Better EULA we would grow to be citizens in our online worlds, with our expectations and investment protected with the security of knowing that we cannot become the victims of accident or caprice and will only lose our property and life in the online worlds by committing offenses against the community that we understood when we entered and for which evidence has been rendered satisfactorily clear to our tribal peers. ☒

Erik Bethke is the CEO of GoPets, Ltd, which he founded in 2004, and the author of Game Development and Production. He has been developing games for over thirteen years, producing titles including the highly accoladed Starfleet Command series, I Have No Mouth and I Must Scream, PlanetNET, and Caesar's Palace Windows 95. Erik grew up in southern California and currently lives in Seoul with his wife and two sons.

END SAMPLE.

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