

AAA games, 200, 228–229, 232, 234	Austrian school of economics, 38,
absorptive capacity (ACAP), 8, 184,	133–136
191, 198, 201–203	autonomous strategy, 222
model of, 188	
and networks, 187–189	
action, concept of, 4, 10-20, 24, 26,	B2B
31–33, 37, 40, 42, 54, 72–76,	deals,164
81, 84, 87–89, 93, 98, 170, 172,	platform, 164
185, 195–196, 214, 218	Band of Brothers (BoB), 95-96
of commercial gaming, 148	bannable offenses, 67
cooperative, 23	Barry, Norman, 38
human, 1, 3, 5, 9, 14, 38–39,	barter/bartering, 23, 123, 137
147	economy, 6, 106–108, 110, 132
individual, 41	exchange, 107n4, 110n8,
in-game, 114, 137	123 <i>n</i> 28
patterned, 225–226	and hyperinflation, 145
predatory, 91	impromptu, 153
productive game, 113	transactions, 105
Amazon, 160, 162, 162 <i>n</i> 5	Bauwens, Michel, 158n3, 174, 174n7
Amazon's Mechanical Turk, 157	Big Data
anarchy, organizational, 212, 218	analysis, 154
Animal Crossing: New Leaf, 138	platforms, 161
Apple, 175	Bitcoin, 159
Artifacts, 227	black markets, 136, 140-142, 144-145,
artificial intelligence (AI), 16–17	147, 153, 159–160, 165
Assassin's Creed Odyssey, 21, 44, 195-	blockchain firms, 175
196, 199, 202	boss-less firm, 213, 218



Bresciani-Turroni, Constantino, 136	long-term, 54, 58-59
butterfly effects, 75, 89	productive, 53
Buy-it-Nows (BINs), 128	reward, 48
	social, 1, 5, 15, 22–23, 25, 65
	and threat of simple ostracism
camping, 67 <i>n</i> 29	5
Call of Duty, 43	copyleft practice, 158n3, 175
cash-based marijuana transactions, 160	Counter-Strike, 212, 223, 228
Castle Wolfenstein, 186	crowdsourcing, 154
Castronova, Edward, 18, 20, 22, 25–28,	communities, 191
28 <i>n</i> 16, 29, 29 <i>n</i> 17, <i>n</i> 18, 30,	knowledge in highly dynamic
30 <i>n</i> 20, 31–33, 33 <i>n</i> 22, 34, 39,	industries, 192
44, 48, 48 <i>n</i> 1, 53 <i>n</i> 9, 76, 136	cryptocurrency, 141, 159, 162–163,
CCP Games, 71, 73, 85–86, 88, 95	175
central processing unit (CPU), 40	currency, 6–7, 39, 110 <i>n</i> 8, 124, 124 <i>n</i> 30,
champagne fairs, 49	n31, 125, 129, 134–135, 142–
Cioffi-Revilla, Claudio, 89	143, 147
City of Heroes, 122, 123, 123n27	in-game, 26, 67, 78, 109n6,
CONCORD, 73–74	147
Command and Conquer, 18	and ladder economy, 128
commons-based society, 158n3, 174n7	quasi-, 56
Commons, J. R., 159	real-world, 27, 105
competitive strategy(ies) for platform-	single, 128, 137
based firms, 7, 152	virtual, 136, 138
complexity, 5, 14, 33, 38, 40, 50, 73, 76,	Crusoe, Robinson, 18–19
88–89, 123 <i>n</i> 27, 156, 164, 188,	
225, 228	
of choice in games, 19	Daphne-dilemma, 189
disorganized, 90	Dark Age of Camelot, 199
economic, 26, 77	Day of the Tentacle, 43n6
firm (high and low), 163	Dead Rising, 18
internal, 81	Dead Space, 18
organizational, 155	decision-makers at online gaming
self-organized, 90	firms, 148
structural, 175	Defense of the Ancients (DOTA), 194
technical, 42	deflation/deflationism, 134, 148
transaction, 155	deflationist, 134
cooperation, 15, 21, 44, 47–48, 55 <i>n</i> 13,	Defoe, Daniel, 18
56, 63–64, 67, 76, 79, 92, 96,	delegation, 215, 229
217	of authority, 8
and division of labor, 15	Designing Virtual Worlds, 196
economic, 66	Destiny, 39
interstate, 97	Deus Ex, 21



246

The Invisible Hand in Virtual Worlds

developer control, 27n14 platforming/platforms, Diablo II, 6, 23, 39, 130-132, 136 154, 155*n*2, 158–160, basic problem of money and 162-163 rewards, 27 Menger's solution, 106-110 space, 5, 15, 25–26, 29*n*19 as economic environment, trading cards, 170 111-123 Dishonored, 21 disutility, 16n4, 31 emergence of money in, 6, 107n4, 110, 127, 132 division of labor, 1, 3, 15-16, 18, 21exchange institutions, 122 23, 77, 81, 217 in-game currency, 123 Dota 2, 7, 18, 152, 166–167, 173, monetary history of, 123-130 184, 193–194, 198, 202, 219, monetary standard, 105 227-228 noteworthy game, reasons for, DPS meters, 62n24 105 - 106Dragon Kill Points (DKP), 5–6, 48, Diablo III, 6-7, 106, 130-131, 133, 66 - 67136, 146 auction-style mechanisms, use Austrian economics (see of, 66n27 Austrian school of adoption of private legal system, 49 economics) decimation of purchasing economic problem, 53-56 power, 143-144 entering, 66n27 early concerns, 139-140 free riding, disincentivization economy, 144-145 of, 60-61gaming framework, 138 game-theoretic implications, gold floors vs black markets, 63 - 64internal enforcement, 61-63 141-142 leaving the system, 66n27 hyperinflation (see hyperinflation) in present day world, 65-66 inflation (see inflation) private solution, 56-58 methodology to implement reinforcement of long-term cooperation, 58–59 monetary policy, 139 digital, 67n28, 130, 157 zero-sum set of, 66n27 age, 161 Dragon Quest, 41-42 dynamic capability, 224, 226-227 assets, 28n16commons, 175 entrepreneurs, 175 eBay, 121, 121n26, 125, 129, 157, 162 goods, 171 hyperinflation, 136–138 economics, 5-6, 9, 12-17, 29n18, 32, inflation, 137 34, 48, 52, 53n9, 148, 156, manipulation of goods, 29 192n5, 211, 233. See also Austrian school of economics media firms, 161 money, 136 classical, 77



defined, 1	entrepreneurial environments, 203
and entrepreneurial activity,	entrepreneurial imagination, 226
23–24	entrepreneurial industries, 201
of game play, 11	entrepreneurial judgment, 189–192,
and gaming, overlap between,	215, 224, 226
3	entrepreneurial learning, 184, 194, 197
importance of knowledge, 2	entrepreneurship, 1, 5, 18, 23–24, 78,
informal, 158–159	185, 189, 212–213, 233
new institutional, 56	delegating, 224
modern, 26	deployment of resources, 215
misconception about, 10	forces united by, 214
neoclassical, 77, 88	grayness of, 175
post-Walras neoclassical, 77	market, 154
and scarcity, 18–19	pure, 67
sharing, 174	social, 223
spontaneous order, 45	Entropia, 51
universality of, 33	EVE Online, 4, 6, 22, 51, 52n7, 74, 77,
virtual (see virtual economics)	79
video game (see video game	appeared on mainstream news
economics)	outlets, 71
virtual games, research on, 25	armed conflicts in virtual
Elder Scrolls V: Skyrim, 183, 186	world of, 72
emergent money, 67	caveats, 90
emergent order. See also spontaneous	features of, 72-75
order, concept of	implications for international
End-User License Agreements, 28n15	relations and history,
entrepreneur(s), 8, 24, 30, 88, 185, 189,	94–98
201, 214, 231	incentives of, 75–76
archetypal, 67n28	limitations of, 93
bear uncertainty, 215	meta-order of, 84–85
business, 17	natural laboratory of social
clever, 170–171	interaction, 88
decisions, 216	reality of, 86–90
emerging, 175	spontaneous order of, 75–76
gray market, 171	state-of-nature theory, 91–94
heavyweight, 175	technological order, 85–86
political, 89	war and international relation
private-sector, 158	in, 81–84
real-world, 24	EverQuest, 22, 25-26, 50n3, 51, 53,
to exercise original judgment,	54 <i>n</i> 11, 56, 56 <i>n</i> 14, 66, 137,
215	184, 198–199, 199 <i>n</i> 12, 203
entrepreneurial action, 185, 189, 215	EverQuest 2, 51-52, 66
entrepreneurial and awars 202 203	•



248

The Invisible Hand in Virtual Worlds

```
Evolution of Cooperation, The (Robert
                                                  188-193, 200-203, 213-216,
        Axelrod), 63n26
                                                  218, 220-224
exchange(s), 15, 22-23, 26-27, 29,
                                                  boss-less (see boss-less firm)
        105, 107n3, n4, 108–109, 112,
                                                  capabilities, 8
        114-116, 118-119, 119n21,
                                                  complex, 78, 215
        120–126, 126n34, 127, 131,
                                                  for-profit, 7, 152
        135, 142, 147, 153, 155–157,
                                                  gray (see gray firms)
                                                  high-tech, 158, 161, 175
        159, 224
        bilateral, 107, 110n8
                                                  platform-based, 7, 152
        direct barter, 6
                                                  strategy, 152, 155, 223
                                                  white (see white firm)
        economic, 76, 158
                                          flat
        economy, 78-79
        financial, 167-168
                                                  organization, 218
        gift, 76
                                                  structure, 8
        indirect, 107n2
                                          Ferguson, Adam, 5, 38
                                          formal knowledge network, 189
        long-run contractual, 6, 49,
              64,66
                                          For Trade (FT) list, 127
        market, 76, 89
                                          future of work, 67, 174
        monetary, 106–107, 110,
              110n8
                                          game economy(ies), 3, 137
        peer-to-peer, 171
        productive, 168
                                          gameplay, 4, 10, 12, 20, 25, 31–32,
        -rate fluctuations, 128
                                                  42, 45, 109n6, 111–112, 114,
        ratios, 129, 132, 134
                                                  115n15, 187, 195, 197–198,
        role of, 77
                                                  202
        value, 129
                                                  artificial competition, 17
experience points (XP), 16, 20-21, 31
                                                  as economic behavior, 17–18
experiments in economics, 18-19
                                                  emergent, 43
Explorations in the Theory of Anarchy
                                                  imaginative, 43
        (workshop), 62
                                                  linear, 43
external networks, 188, 192, 202
                                                  microfoundations of, 17
                                          game theory, 54–55, 59, 63–64, 67
                                          ganking, 74n2
Facebook, 154, 160, 163, 171
                                          Gates, Bill, 175
facilitate or acquire decision in
                                          gig economy, 158
        MMOs, 7, 152, 155, 166, 168,
                                                  platforms, 160
        173-174
                                                  transactions, 154
Fallout series, 18-19, 183-184, 186
                                          GitHub, 217, 220-221
Far Cry, 21, 44
                                          Goonwaffe corporation, 79–80, 82
file sharing, 175
                                          Gore, W. L., 216-217, 221
Final Fantasy series, 42, 52, 199
                                          Graham, Frank, 136
firm(s), 8, 12, 53, 56, 56n15, 81, 135,
                                          Grand Theft Auto and Red Dead
        139, 147–148, 155n2, 160,
                                                  Redemption, 183
        166-167, 173-174, 184-185,
```



graphical user interface (GUI), 195	Guide to the Galaxy, 197n11
gray activity, 161 <i>n</i> 4, 175	guild system, 62–66, 66 <i>n</i> 27, 67, 79
gray business process innovations,	Gypsy Law, 49
164–165, 175	
gray complementarities, 161–162	
gray economics, 157	Hahn, L. Albert, 136
gray economy, 159-160	Hayek, Friedrich A., 34, 37–38, 88,
gray entrepreneurship, 154	155, 203
gray entities, 153, 158, 174n7	The Fatal Conceit, 39
gray finance, 159-160	hegemonic power, 95
gray firms, 153, 153 <i>n</i> 1, 158, 164, 167–	heterarchy, concept of, 216
168, 172–173	highly dynamic or entrepreneurial
rivalry between white and,	industries, 8, 190-191, 201-
162–163	203
gray high-tech interactions, 153	crowdsourcing knowledge in,
gray innovations, 158	192
gray knowledge, 163-164, 175	Hitchhiker's, The, 197 n11
gray market(s), 28 <i>n</i> 16, 51, 67, 105,	Hitman, 21
121, 121 <i>n</i> 26, 125, 130, 136,	Hobbes, Thomas, 92
153, 153 <i>n</i> 1, 154, 155 <i>n</i> 2, 164–	Hobbesian state of nature
167, 169, 172, 174, 185	models, 71
around high-tech platforms,	model of human psychology,
160–161	91
downstream aftermarkets, 157	Hobbit, The, 197n11
economic development,	holacracy system, 216
158–159	Holy War banking and insurance, 171
free innovation, 161	Holy War tax systems, 171
global statistics, 156–157	homebrew digital revolution, 158n3
informal economics, 158-159	homo agens, 13
overpricing and, 170–171	homo economicus, 4, 13
resolution, 171–172	Homo Ludens (Johan Huizinga), 13
separation of black markets	Huizinga, Johan, 13, 24, 32, 37
from, 160	human action, 1, 3, 5, 9, 14–15, 38–39
upstream production, 157	147
gray regress, 162	hyperinflation/hyperinflationary,
gray social services, 174	133–136, 141, 144, 146, 148.
gray supply chain, 164	See also inflation
gray transactions, 153, 165	accidental, 111n9
as peer-to-peer networks,	catastrophic, 110n8
157–158	crisis in Venezuela, 141
Great Depression, 139	digital (see digital
Greif's Maghribi Traders' coalition, 49	hyperinflation)
Grim Fandango, 43n6	German, 143



250

The Invisible Hand in Virtual Worlds

real-world, 145 crafted to impose special Serbia, 147 limitations, 19 virtual (see virtual market data on, 124-125 hyperinflation) private and players (voluntary members), 147 initial conditions, importance of, 75-76, 89, 110 industrial organization, 185 innovation(s), 6, 8, 97, 156, 165, 185, inflation/inflationism/inflationary, 39, 125, 133-136, 142-143, 147-188-189, 191-193, 195, 198, 148. See also hyperinflation 200-202, 212-213, 226, 228, of DKP model, 65 234 content-and mechanic driven monetary, 140 runaway, 141 consumer, 197 redenomination (see derivative, 169 redenomination) explorative, 202 sell-off, 169 informal, 153 virtual, 136 knowledge-type, 174 occasional, 129 informal bureaucracies, 165-166 informal collaborations, 189 open-source, 154 informal communities, 184-185 scalable, 164 informal content, 172 technological, 78, 85-86 informal crowd, 154 user, 192, 192n5 informal economic activity, 158-159 In Search Of (ISO) list, 127–128 informal economy, 7, 152, 156–157, Instagram, 160 158n3, 175institutions, 6, 27, 47, 53n9, 64, 66, informal external networks, 201 72, 76, 97, 110, 153, 158, 160, informal groups, 154 174-175 informal hierarchy, 220, 233-234 capitalist, 158n3 informal influencers, 161 exchange, 106, 116, 122, 126, informal innovation, 153 130 legal, 1–2 informal knowledge networks, 189 informal labor, 156 man-made, 50-51 informal management, 8 market-making, 123n27 informal markets, 165 monetary, 106, 111, 123, 125 informal organization, 158 political, 12 informal production, 162 private, 48, 53, 56, 67 informal trade, 153 third-party contractual, 61 informal transactions, 157 international relations (IR), 6, 72, informal user-innovators, 155 83-84, 89, 93-95 informal value chain, 162 introversive labor, 16n4 in-game currency, 26, 67, 78, 109*n*6, 123 in-game economies, 3-7 Jobs, Steve, 175 collection of digital points, 57 judgment-based approach (JBA), 185,



Index 251

King's Quest, 43n6 massively multiplayer online (MMO) Knight, Frank, 13–14, 15n3, 32, game developers, 7, 9, 21, 215-216 30, 44, 48, 52, 111*n*9, 113, 152, 155, 157, 159, 166–169, 171–173, 175 labor, 12, 64, 78, 164, 174*n*7 massively multiplayer online games (MMOGs), 71, 76, 78–79, 87, child, 160 decentralized, 157 93-94 demonetized, 157 massively multiplayer online roledivision of (see division of playing games (MMORPGs), 6,21-23,25,25n12,27,33,labor) 49-50, 50n3, 52-53, 56n14, economics, 11 58*n*20, 61, 105, 137, 156, 183– informal, 156 markets, 8, 77 184, 196n10, 198, 199, 203 skilled, 145 Max, 43n6labor theory of value, 12 McCullough, Michael, 89–90 ladder vs non-ladder economy, 127-Medium.com, 217 Menger, Carl, 38, 120, 126, 132 law and economics, 6, 48, 52 Mengerian process of currency lead user, 167 formation, 122 hackers, 169 On the Origins of Money, 107 problem of money and innovation, 158 solution by, 106-110 Left 4 Dead, 212 Legend of Zelda, The, 1, 43 Metal Gear Solid, 21, 43 Legends of Mir 3,51 Microsoft, 167, 172, 175, 212, 223 Leisure Suit Larry, 43n6 Miles and Snow Prospector-Analyzer-Letzter, Rafi, 183 Defender-Reactor framework, Lineage series, 52 166n6 liquidity trap, Keynesian concept of, Minecraft, 7, 44–45, 152, 166–167, 172, 184, 187, 194–195, 195n7, 199, 202 Little Big Planet, 184, 194-195, 199, Mises, Ludwig von, 14–15, 15n3, 16, Lord of Destruction, 123 38, 136, 214-216 Lord of the Rings Online, The, 66 on inflation, 133–134 introversive labor activity, ludology, 12-13 16n4 praxeology activity, 17 Madden NFL, 43 on price system, 30n20Madhavan, Ravi, 152 universal law of association, 23 Makerbot, 175 Mitchell, Billy, 40-41 market process, 34, 50, 67n28, 122-Mitnick, Barry M., 152, 154 modders, 183, 193, 198, 219n2 124, 163 Marxist theories of exploitation, 12*n*1 modding (video game), 7, 9, 168, 173, 183, 198-199, 203



252

The Invisible Hand in Virtual Worlds

capabilities, 186-187 nonvirtual economies, 110 communities, 189 defined, 184 form of crowdsourced Ocarina of Time, The, 43 online games, 3, 22, 33, 49, 50n2, learning, 8 multiuser dungeons (MUDs) 51–52, 66, 71–72, 74, 110, (see multiuser dungeons 133, 160 [MUDs]) online gaming, 28*n*16, 59, 148, 173 partial conversion, 186 online societies quasi-, 8, 184, 192, 194-196, characteristics of, 5 200, 202 virtual, 48-49, 66 open innovation activities/strategies, total conversion, 186–187 traditional, 8, 184, 186, 192-161, 164 194, 202 opportunity cost monetary collapse, in post-WWI defined, 20 Weimar Republic, 136 true cost of every action, money(ies), 1-2, 6-7, 15, 27, 67, 74, reasons for, 20-21 108-109, 132-135, 138, 143, ordinary capability, 224, 226 148, 167–168, 170, 175, 200 organization design, 234 basic problem of, 106-110 organizational capabilities, 212 historical ubiquity, 106 of learning, 201 internal, 76 organizational learning, 187 supply, 77, 111n9, 138 Ostrom, Elinor, 66 Monkey Island, 43n6 Governing the Commons, 47 Morningstar, 216, 221 real-world case studies, 53, 64 Oticon, 216-217 MUDflation, 136-137 multi-boxing, 60n22 multiplayer online battle arenas (MOBAs), 183, 193–194, 200 Pac-Man, 40-41, 45 multiuser dungeons (MUDs), 8, 184, path-dependency/dependent, 189, 202 192, 196, 196*n*9, 197–199, PayPal-based HP exchange markets, 202 Perfect Gem (Perfect Skull), 124-125, Myst, 42 128 Pettis, Bre, 175 Nakamoto, Satoshi, 159 Planetfall, 197n11 Newell, Gabe, 212-213, 215-216, 218, play, 1-5, 7, 10-17, 19, 21-24, 26, 28, 220, 225, 227, 229-231 32, 37-38, 40, 42-43, 45, 49new forms of organizing, 217 50, 52, 55, 58, 60n22, 74, 84, new institutional economics, 56 93, 97, 106, 111*n*10, 127, 173 point-and-click adventure, 43n6 Nintendo, 43, 138, 223 non-player characters (NPCs), 20, 78, Pong, 40 137 Portal, 212



positional goods, 156, 168, 172, 174 praxeology, 17 price controls, 30 <i>n</i> 20	dollars, 51 economic indicators, 25 economic value, 27 economies, 1, 11, 28, 33, 55, 140, 147 entrepreneurs, 24 governments, 27n13 institutions, 50 markets, 30 military, 81 money, 67n28, 76, 78 murder, 51 rent control, 30 scarcity, 18 wages, 52 redenomination method, to address
peer, 153, 161 <i>n</i> 4, 174, 174 <i>n</i> 7	inflation, 141
project(s), 8, 124, 164, 193, 201, 211-	RPG Maker, 194n6
219, 221–234	Resident Evil, 18
peer, 174 <i>n</i> 7	ride sharing, 175
property rights, 159	<i>Rift</i> , 66
puzzle of puzzles (the), 30–32	role-playing game (RPG), 20–21, 23 43, 194, 194 <i>n</i> 6, 197
	Root, Hilton, 89
qualitative comparative analysis	Rumsfeld, Donald, 189
(QCA) analysis, 174	RuneScape, 51–52
Rage of Bahamut, 7, 152, 166–167,	Sam and Max, 43n6
169–172	scarcity, 15, 17, 21, 24, 28–30, 33, 76,
real money auction house (RMAH),	135
140–141, 144–146	artificial, 4–5, 18, 32
real-time strategy (RTS) game, 194	and economics, 18–19
real-world, 11–12, 22, 26, 31–32, 34,	implication of, 19
47–48, 50, 50 <i>n</i> 2, 51, 53–54,	necessity of choice, 19–20
60, 64, 74, 79–80, 82–84, 86–	temporary, 54
89, 91–94, 98, 105, 140, 148,	trade-offs, 19–20
192, 203. <i>See also</i> virtual world	Second Life, 30
anonymity, 5	self-governance, 47–49, 66
assets, 136	self-organization, 45, 214, 216–220,
cash, 51, 67	232, 234
city, 29	serious gamers, 9
currency, 27, 136, 144	serious games, 13 <i>n</i> 2



254

The Invisible Hand in Virtual Worlds

sharing economy, 174 <i>n</i> 7, 175, 185 <i>Silent Hill</i> , 18 simple spoil-sharing model, 90 <i>Sims</i> , <i>The</i> , 43, 45 Smith, Adam, 12, 22–23, 38–39, 60, 77, 106, 161, 165, 211 on developer control, 27 <i>n</i> 14 invisible hand, 3 on social order, 3 social contract, 55 <i>n</i> 13 Sony Online Entertainment, 184, 194, 199, 223	storytelling, 19, 37, 39 cinematic, 43 interactive, 38 open-ended, 5 strategic management, 156 strategic organization, 163 Studies in the Quantity Theory of Money (Milton Friedman), 135 subsidiary initiative, 222 Super Mario Bros., 41 synthetic worlds, 29
Sony PlayStation, 42 Space Quest, 43n6 specialization, 21–22 speedrunning, 41n3, n4 Spend-All or Suicide system, 65 spontaneous games, 5, 38 spontaneous order/spontaneity, concept of, 3, 5, 34, 37, 45, 71, 73, 88, 91 ascendance of, 44–45 and cultural products, relationship between, 39 of EVE online, 75–76 emergent money, 67 features of, 76–81 markets, 38 nature in video games, 38, 76–81 and older games, 39–42 politics, 81–82	tacit knowledge, 226 Tales from the Borderlands, 18–19 Team Fortress, 212 Teece, David, 154, 160–162, 224, 226 Telltale Games, 19 Thief, 21 tool assisted, 41n4 Total War, 18 trade, 22–24, 27, 28n16, 33, 57, 76–77, 83, 107, 114, 116–119, 119n21, n23, 120–122, 129– 130, 132, 135, 145–146, 153, 160, 174 trade game (public), 119–121, 121n25, 122, 132 transaction costs, 159 Twitch, 41n3
role in Austrian school of economics, 38 role of, 40–41 Stag Hunt and the Evolution of Social Structure, The (Brian Skyrms), 63n26 Starcraft, 18, 43, 193 Star Wars Galaxies, 199	Ultima Online, 22, 137 Uncharted, 43 Unique ring (the Stone of Jordan), 124–125 Unreal Tournament 3, 186 user innovation, 185, 192n5, 193
Star Wars: The Old Republic, 22 state of nature Hobbesian, 71 theory, 91–94	Valve Corporation, 8, 167, 169, 173, 184–185, 193–194, 198, 200, 211–212, 233–234 decision-making at, 214–216



economic organization, 185, 212–214	virtual economics/economy(ies), 7, 11–12, 26, 133, 136–138, 147
entrepreneurship at, 214–216	automation of exchange
feature of, 214	institutions, 122
Half-Life projects, 9, 227–233	as field of research, 32–34
implications of	
-	involves anonymous
organization for	individuals, 62
capabilities,	virtual equipment, 121
224–227	virtual gold, 138–139, 144–146
organization for	virtual goods, 56n15
strategy, 221–224	virtual hyperinflation, 7
management of, 214–216	virtual laboratory, 6
problems faced by, 219–221	virtual monetary system, 11, 133
protest against rape simulation	virtual monster, 53
game, 225	virtual online environments, 48
self-organization, 216–218	virtual online societies, 48–49, 66
use of remuneration system,	virtual real estate, 51
216	virtual reality (VR), 29, 33, 50, 213,
video game company(ies), 7, 152	222, 230–232
video game economics/economies, 1,	virtual resources, 18
10–11, 26, 29, 32, 152	virtual savings, 142
branches of, 4	virtual scarcity, 18
monetary economics, 152	virtual societies, 5
teaching tool, 33	virtual specialization, 22
video games/video game industry, 1,	virtual state, 27–28
45, 49, 71, 86, 109 <i>n</i> 6, 173,	virtual trade, 22
184–185, 193, 212, 223, 227	virtual war, 96
business strategy, 152	virtual worlds, 1, 5-6, 11-12, 22,
controversies in, 211	24–26, 31–34, 39, 48 <i>n</i> 1, 53,
disorder in world of, 3	56, 59–60, 66–67, 72, 74–75,
economics teach us about, 2	83–84, 86–89, 93, 141, 145,
economists, 2, 11–12	148, 160
linearity and planned orders	audible, 202
in, rise of, 42–44	economic law in, 28–30
research, 2	and emergence of societies,
work done on, 3	110
worldwide crash from (1983	as empirical platforms, 49–53
to 1985), 41 <i>n</i> 5	features of, 196
viral marketing, 157	stakes in, 51–53
virtual central bank, 138	visible, 202
virtual currency(ies)/money, 136, 138,	visual novels, 30 <i>n</i> 21
147	viouai 110 v010, 30 n2 1



256

The Invisible Hand in Virtual Worlds

Walking Dead, The, 19-20 walking simulators, 30n21 Walmart, 162, 162n5 Where's All the Data? (WAD), 186 white firms, 153, 155-156, 159, 162-164, 172 White-Gray Strategic Matrix, 155-166 white platforms/platforming, 162 Williamson, Oliver, 159, 162 transaction costs theory, 158 wisdom of the crowd, 191-194, 200, 202 Wolf among Us, The, 19 work, 4, 7, 10, 13–14, 17, 21, 24, 75, 91 defined, 15n3

World of Warcraft, 21, 26, 44, 50n2, 52, 54n11, 56n14, 63n25, 66, 71, 122

XCOM: Enemy Unknown, 18, 187
XCOM: Enemy Within, 187

Yanis, Varoufakis, 76–78, 88, 91, 217,

Zork, 197n11

YouTube, 41n3, 160