

Just a game

With crime in the virtual world beginning to spill into the real one, it's time to decide where legitimate game play ends and law-breaking begins, says Tim Guest

AS MURDERS go, it was an open and shut case. In February last year, Qiu Chengwei, a 41-year-old man from Shanghai, loaned his prized sword, called a dragon sabre, to his 26-year-old friend Zhu Caoyuan. Without telling Qiu, Zhu sold it for 7200 yuan (£500), pocketing the proceeds. Qiu complained to the police that Zhu had stolen his sword, but they refused to help. So early one morning a month later, Qiu broke into Zhu's house and stabbed him to death.

Qiu confessed to police, and a few months later was sentenced to life imprisonment. But while the murder was quickly solved, the question of whether Zhu was guilty of theft is still unsettled. In the trial, the court heard that the police refused to help Qiu because in their eyes Zhu hadn't broken any laws – the sword wasn't real. It was a virtual weapon that Qiu's character gave Zhu's in an online fantasy game called *Legends of Mir*, which has over a million players.

The murder is one of a string of similar cases in which virtual crimes have spilled into

the real world. It is a phenomenon that has caught players, games companies and police forces off guard, and they are just beginning to experiment with ways to deal with it. The consensus is to settle disputes and punish bad behaviour inside the game if at all possible. To do this some players have organised virtual mafias to help other players get even, and recently some games companies have begun meting out justice themselves by banishing the evil-doing characters to what is effectively a virtual jail, and even crucifying them.

When you consider the number of people playing these games, it is perhaps not surprising that some break the law. Each week, around 30 million people worldwide abandon reality for imaginary realms with names like *EverQuest*, *Eve Online* and *World of Warcraft* (see Graph, page 41). While there have always been games that encourage "criminal" behaviour as part of the game, there has been a big change recently. What you do in the game can now make real money, and lots of it.

Virtual items began to acquire a real-world

value when new players wanted to advance quickly in these games without having to spend hours looking for weapons or gaining magical powers. This created a grey market for rare virtual goods, first on eBay and then on scores of other websites set up to help this trade. Soon, exchange rates between game money and real currencies emerged that have helped line the pockets of thousands of players (*New Scientist*, 26 July 2003, p 44).

For example, in 2004, in a game called *Project Entropia*, David Storey of Sydney, Australia, bought a virtual island populated by virtual wild animals for \$26,500 – not for fun, but for profit. He now charges a tax for virtual hunting rights, and rents virtual beachside property, from which he has already earned \$10,000. Earlier this month, *MindArk*, *Project Entropia*'s developer, blurred the boundary between the virtual and the real worlds still further when it launched a cash card players can use at ATMs around the world to withdraw money against their virtual hoards, calculated according to the *Project Entropia* exchange

Q?



In May 2005, Czerniawski/Shogaatsu was contacted with an anonymous offer of 1 billion ISK – the Eve currency, worth around £350 when traded in the real world – for a “Pearl Harbor” style attack on another player’s corporation, Ubiqua Seraph. Arenis Xemdal, Guiding Hand’s “valentine operative” played by Bojan Momic, also of Toronto, spent four months wooing the head of Ubiqua, known as Mirial, who then hired him. To make Xemdal look good, Shogaatsu staged raids deliberately intended to fail, and four months later Mirial appointed Xemdal as her trusted lieutenant. She handed him the access codes to Ubiqua’s warehouses: the key to her virtual safe.

It was time for Shogaatsu and his associates to make their move. A Guiding Hand battleship appeared near Mirial’s position. She fled for a nearby space station, but before she could reach safety, Xemdal turned his lasers on her. Across the galaxy, Guiding Hand operatives looted six warehouses. Shogaatsu delivered Mirial’s corpse to the client, but kept the stolen property as spoils of war.

The Eve developers, CCP, based in



Istvaan Shogaatsu, played by Tom Czerniawski (right), will destroy any Eve Online character for the right price

“Mafia men, pimps, extortionists and assassins populate various virtual worlds. There’s even a terrorist collective in one game hell-bent on bringing about the end of their own online world”

rate. In 2004 IGE, a virtual item trading website based in Boca Raton, Florida, estimated the global market in virtual goods to be worth around \$880 million a year and growing. When this kind of money is involved, it’s a fair bet that from time to time virtual crime is going to turn into the real thing.

And games are full of virtual crimes. Mafia men, pimps, extortionists, counterfeiters and assassins populate various virtual worlds, eager to make a fast buck. There’s even a terrorist collective in

one game hell-bent on bringing about the end of their own online world. Most keep their activities confined to the virtual, but the line is becoming increasingly blurred.

Take the tale of Istvaan Shogaatsu – an infamous character in Eve Online, a space piracy game – played by dental technician Tom Czerniawski from Toronto, Canada. Shogaatsu is the CEO of Guiding Hand, a mercenary corporation that destroys other players’ characters for profit. Czerniawski describes him as “a cut-throat without morals or mercy”.

Reykjavik, Iceland, looked fondly on Istvaal’s operation – not least because, as the story spread through the internet, the game gained thousands of new subscribers. But many players were outraged. After the heist, Czerniawski received nine email and telephone death threats. The cash and merchandise stolen by Guiding Hand amounted to 30 billion ISK – about £10,000. To Mirial and others connected with the Ubiqua corporation, the loss felt very real.

The incident shone a bright light on the frontier-style ethos of many games. It had taken Mirial over a year to build up her virtual empire, but she had no recourse: no laws protect her player from virtual losses. Games developers need it to remain that way, as they want to keep their responsibility to a minimum. Gaming would be unsustainable if every unpleasant act became punishable in the real world.

In spite of this, Czerniawski told me he and his Guiding Hand co-conspirators were concerned they might be accused of

committing a real-world crime, such as wire fraud, so to avoid this they were careful to keep all contact within the game.

What happens when the distinction between actions inside the game and outside it is less clear? For example, is exploiting a bug in a game to make hard cash breaking the rules? In December 2004, Noah Burn, a 24-year-old from Myrtle Beach, South Carolina, did just that in EverQuest II.

In the real world Burn worked as a furniture salesman. So when he got bored of his exploration of the virtual world, he set up a "furniture" store inside the game. His character, a barbarian called Methical, found places to buy desirable virtual goods cheaply and then sold them on at a profit. One afternoon he put a chair up for auction – this normally removes the item from the virtual world. Later that day he got a message from someone who had bought the chair, but when he looked over to his virtual showroom, the chair was still there. Sitting at his computer, Burn realised he had stumbled on a gold mine. He quickly sent a message to his friends online: "I think I just duped [duplicated]

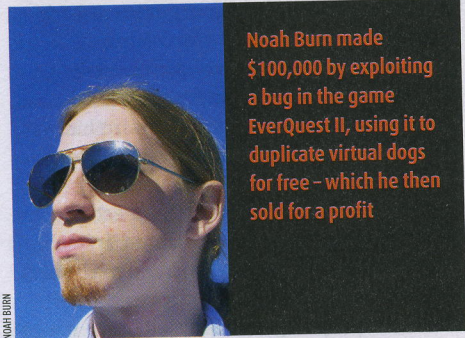
These spaceships, stolen during a heist in the game *Eve Online*, were part of a haul worth £10,000

something". Burn had discovered a bug in the game's code which meant he could "dupe" items at will. Selling real furniture pays well, he says, "but not as well as in EverQuest II".

Along with a friend, Burn set up a production line, copying expensive candelabras that players used to decorate their virtual homes. After a day of trading, they had two virtual platinum pieces – at a time when one platinum piece sold for \$300. The next night they duped, Burn says, "until our eyes bled". Bored with candelabras, they switched to a virtual animal called a Halasian Mauler dog, the highest value item they could dupe. In virtual terms, the two were rich. They bought virtual mansions, the best spells and the most expensive horses they could find.

Then they took a step out of the game and began to sell the proceeds of their virtual counterfeiting for dollars. Burn knew he was

"It's like the Wild West right now, and we're kind of like these outlaws. I feel like Billy the Kid"



Noah Burn made \$100,000 by exploiting a bug in the game *EverQuest II*, using it to duplicate virtual dogs for free – which he then sold for a profit

doing something questionable and every day expected Sony, the owner of EverQuest II, to fix the bug. Two weeks later they were still selling, now at 50 per cent of the market rate, just to shift more platinum. They were scammed too: they lost \$5000 when buyers took their items without paying. But they kept on selling. They sold so much virtual currency that prices dropped 60 per cent. Burn made so much money that he decided to consult a lawyer to see if he was breaking the law. The lawyer threw up his hands. "He had no idea what I was talking about."

Players began to post complaints about the sudden inflation on various web forums. Then three weeks after he discovered the bug, Burn logged on to find it had been fixed. Their spree was at an end. Burn says his little cabal made \$100,000 in total, of which he got the lion's share. "It has allowed me to go to Hawaii and Paris, as well as pay off student loans," he says.

Sony banned some of Burn's accounts the next day, but there was no way of working out which items were counterfeit and so no way of

penalising him. "It's like the Wild West right now, and we're kind of like these outlaws," Burn says. "I feel like Billy the Kid."

Burn may have made real money, but the consequences of his actions were confined to the game world. Others have bridged the gap between the two. Between October and December last year, a group of residents in a game called Second Life – who cannot be named for legal reasons – experimented with attacks on the fabric of the Second Life universe itself. They constructed self-replicating objects which copied themselves over and over until the whole universe became overcrowded and the game's servers crashed. One group even created an object resembling a block of virtual Semtex. Just like a real bomb, when it exploded, the servers running that section of the universe went down, destroying the realm and everything in it.

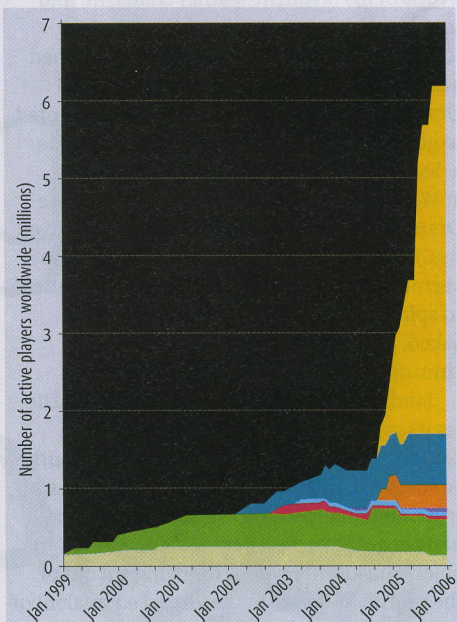
Linden Lab, which runs Second Life, says the attacks cost the company time and money and were a clear violation of US Code Title 18, section 1030 – which outlaws "denial-



VIRTUAL LIVING

The popularity of online gaming is growing exponentially

● World of Warcraft ● Final Fantasy XI ● EverQuest II
● Second Life ● Eve Online ● The Sims Online
● EverQuest ● Ultima Online



SECOND LIFE CRIME STATISTICS

Second Life, a Linden Lab game, is one of the most advanced virtual worlds

March 2005	March 2006
24,919	NUMBER OF RESIDENTS 169,111
1989	ABUSE REPORTS 9496
183	WARNINGS 575
137	SUSPENSIONS 361
1	EXPULSIONS 8

CCP GAMES

SOURCE: LINDEN LAB, IMMOGCHART.COM

"The FBI was called in, in what is probably the first criminal investigation of activities that originated in the virtual world"

of-service" attacks. The law says, in effect, that if you knowingly transmit information to a computer involved in communication beyond the boundaries of the state that results in \$5000 or more of damage, you face a hefty fine and up to 10 years' imprisonment. Linden Lab called in the FBI, in what is probably the first criminal investigation of activities that originated inside a virtual world. "These attacks affect the ability of our servers to provide a service for which people are paying us money," says Ginsu Yoon, Linden Lab's counsel.

In Linden Lab's eyes, at least, planting a virtual bomb should be considered a real crime.

It's not only the games companies that say in-game crimes have real consequences. The player who owned Mirial spent a large amount of time and effort amassing her virtual wealth. Its theft and her character's murder was a tangible loss. Cases like these only serve to emphasise that the issue of in-game justice is becoming a serious concern.

To date, the absence of law enforcement inside these games has led to players setting

up their own alternatives. Jeremy Chase, a customer service manager and IT specialist based in Sacramento, California, formed the Sim Mafia within the game Sims Online. Players could hire Chase and his virtual employees to perform all the services you might expect from a bona fide crime family.

As the popularity of Sims Online waned, Chase moved his crime family to another game run by Linden Lab, a free-form universe called Second Life, where he renamed himself Marsellus Wallace. Now, for the right amount of virtual currency, Chase's family will "sort out" any problems you have with another Second Life resident. They will blackmail, bribe or collect debts from your virtual enemies. And if they don't cooperate, Wallace can arrange a hit, which consists of a barrage of pestering instant messages and bad ratings that can affect a character's reputation and credit – or can even murder them (www.thesimmafia.com).

I logged on to Second Life to meet Wallace in his marble-floored mansion. "At the moment I have a consigliere, an

under-boss, three capos and several soldiers," he says. Wallace's reputation in the game is such that an interior designer, eager to curry favour, furnished his mansion for free. Sitting in one of his favourite leather chairs, he told me about his latest strong-arm operation. An associate called Drax Lumiex, who owned a Second Life establishment called the Red Dragon Casino, had asked Wallace if he wanted to go into business with him. The two made a deal and Lumiex even acted as best man at Wallace's virtual wedding – to Mackenzie Draper, another Second Life character, played by Chase's real-world girlfriend. The casino seemed to be doing well and the men planned to split the profits, but whenever Wallace asked, Lumiex insisted the casino was running at a loss. Wallace was suspicious.

Lumiex's casino was famous in Second Life for its unique facade: a huge sculpted red dragon, with the entrance through the mouth. For months, Wallace worked to earn Lumiex's trust, and finally Lumiex made him a casino partner and gave him permission to modify objects inside. In revenge for being cut out of the profits, Wallace did the virtual equivalent of

torching the place. He deleted the red dragon. Chase likes to think of Wallace as a virtual John Gotti – the reviled and admired New York mafia boss imprisoned in 1992. "He fought the law, like I do. Sure, he was violent and ruthless. But with the bad, there is always some good."

In the real world, Chase's mafia activities would pit him against the law. Online, Wallace is well known to Linden Lab and has become a minor celebrity within the game. For now he continues to act with impunity.

Laying down the virtual law

But slowly, things are changing. For many people, online gaming is now a major part of life – a third of Second Life players spend more time in the game than in the real world. So companies are starting to accept that some sort of policing is necessary. As a rule, the medieval approach prevails – those who break the rules are suspended, or exiled from the virtual world. Linden Lab now runs a points system: the more frequently you misbehave and the worse the transgression, the more negative points you get. The higher the rate at which you accrue

punishments in tune with their setting. For example, Cynewulf, played by an electrical engineer from Flint, Michigan, is perhaps the only American alive who has some experience of crucifixion. He is a resident of a new game called Roma Victor, which is based in Roman Britain, and a barbarian. In April he spent seven days nailed to a cross for ruthlessly killing new players as soon as they entered the game.

The punishment had an effect. "It was surprisingly agonising for just being a game," Cynewulf says. "Being jeered at by the Romans while immobilised is not much fun. Particularly since they are all weaklings who deserve to die by my sword."

Acts like Cynewulf's virtual murders can usually be clearly labelled as crimes. But what about more subtle forms of disagreement? What if your neighbour builds a huge tower block that blocks the light to your virtual garden? Who can you turn to? Last year, two law students, known in Second Life as Judge Mason and Judge Churchill, decided to solve this problem by opening the Second Life Superior Court. Residents could take their arguments, large or small, to the in-world courtroom. With reference to the Second Life rules, and their own knowledge of real-world law, the judges would resolve disputes.

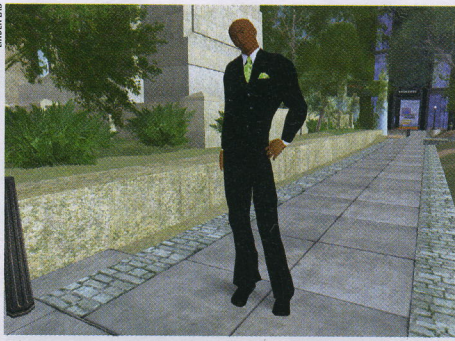
Predictably, not all Second Life residents liked the idea. "What a mind-numbingly futile exercise," Tony Walsh wrote on a Second Life bulletin board. "So now we have yet another level of tedious bureaucracy to Second Life." Others wondered whether the court would have any teeth to back up a judgement, or even what would happen if a Linden (a character played by an employee of Linden Lab) was the target of a case. To clarify their non-involvement, Linden Lab requested that the court change its name. It is now the Metaverse Superior Court. With its teeth removed, the court fell into disuse. The idea isn't totally dead: there is one small community in Second Life, called New Altonburg, that successfully polices itself. Linden Lab would like more communities to handle their own disputes, and its wish may not be that far-fetched.

If crime in the online community continues to flourish, expect the laws and regulations of the real world to eventually catch up with residents of Second Life and other virtual worlds. When that happens, you can bet it won't be long before they start wishing for a third life to escape to. ●

Tim Guest's book *Second Lives* will be published in 2007 by Random House

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Jeremy Chase (left) plays Marsellus Wallace, a mafia kingpin revered throughout the Second Life gaming community

points, the more severe the punishment. "Violations that target other characters or make Second Life feel unsafe or unwelcoming are dealt with more aggressively," says Linden Lab's Daniel Huebner.

Banishment is a blunt tool, however, as players can simply creep back into the game under another name and identity. And in any case, the issue of punishment per se throws up a tough question for games companies: isn't the point of the virtual worlds to escape the restrictions of the real one?

So Linden Lab is testing an alternative approach of rehabilitating offenders. In January, Second Life resident Nimrod Yaffle reverse engineered some computer code to help him steal another player's virtual property. He was reported and became the first resident to be sent to a new area of the game, The Cornfield – a kind of virtual prison. Every time he logged on all he could do was ride a virtual tractor and watch an educational film about a boy who drifts into a life of crime.

Other games are also trying to keep