

Developing countries benefit from online gold rush

September 15 2008

(PhysOrg.com) -- Impatient online computer gamers have sparked a new industry in developing countries – by paying fellow gamers real cash in return for financial help in the virtual world.

The practice – known as ‘gold-farming’ has been ongoing for a number of years.

But ground-breaking research by Prof Richard Heeks, from the University’s Institute for Development Policy and Management, has highlighted the scale of the practice for the first time.

‘Gold-farming’ is concentrated on online computer games – such as World of Warcraft and Runescape – that are set in complex virtual worlds.

These game worlds are so comprehensive, they include their own cities, populations, economies and even their own virtual currencies, known as ‘gold’.

Although most gamers earn their ‘gold’ by playing the game for many hours each week, some are taking a short-cut – by paying real money outside the game to buy their gold.

In doing so they seek the help of so-called ‘gold-farmers’, who work within the games' virtual worlds to build up a supply of the online currency and then sell this to players all over the world through the

Paypal payment system.

Prof Heeks' research suggests 'gold-farming' is now a 'cyber-industry' employing more than 400,000 people in Asia and generating trade in excess of \$1billion (US).

"The workers in Asia undertake long shifts and earn about US\$145 per month," said Prof Heeks, who is based in the School of Environment and Development.

"However, the image of 'virtual sweatshop' seems inappropriate: most workers are young men who would otherwise be unemployed, and they report enjoying their work.

"This represents an intriguing new way in which the Internet is helping to create jobs and incomes in developing countries; one that is likely to grow over time."

The impact of computer gaming in developing countries forms part of the research agenda for the new Centre for Development Informatics; a cross-university grouping that studies the role of digital technologies in international development.

Provided by University of Manchester

Citation: Developing countries benefit from online gold rush (2008, September 15) retrieved 25 April 2024 from <https://phys.org/news/2008-09-countries-benefit-online-gold.html>

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