

# The constitutional political economy of virtual worlds

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Published online: 14 July 2013  
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**Abstract** In virtual worlds, a social order able to coordinate the actions of tens of thousands of people emerges in a non-predetermined but designed way. The central puzzle the developers of such worlds have to solve is the same political economists face: to establish a well-functioning set of rules allowing for the thriving of the regulated community. The purpose of this paper is to provide a discussion of the particularities of the constitutional political economy of virtual worlds: their institutions, the prevalent beliefs of the players, and their organizations. The main reason why we should care about doing research *on* virtual worlds is the huge potential for research *in* virtual worlds. Virtual worlds present a middle ground in the debate between the greater control of laboratory experiments and the higher external validity of the field. Besides being an important cultural phenomenon per se, they emerge as the researchers' tool to conduct experiments on a truly social level with tens of thousands of subjects. To show the usefulness of such environments for research in political economy in an exemplary but concrete fashion, the paper also presents some findings difficult to be produced elsewhere: data on an astonishingly high percentage of altruistic behavior in a Hobbesian natural state drawn from a dictator game played online.

**Keywords** Virtual world · Institutions · Beliefs · Organizations · Natural state · Dictator game

**JEL Classification** P16 · P48 · O17 · D74 · C93 · C99

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