

An Interview with Beyers Sellers

by Surfdaddy Orca

Professor Robert Bloomfield and his alter ego—avatar Beyers Sellers—have been active in the business and academic communities exploring the use of virtual worlds for policy research and electronic commerce. Together with Nick Wilson (formerly of [metaversed.com](#)), he started the weekly series called *Metanomics* (a term he coined) to address issues such as contract law, government, taxation, in-world business, economics, and interoperability standards among worlds in the emerging metaverse. Past speakers have included IBM's Sandra Kearney, Professor Joshua Fairfield, and Dan Miller, a Senior Economist of the Joint Economic Committee, to name but a few. Archives from the series are available at the [Metanomics](#) website. The shows are broadcast from Second Life through a network of "event partners" by Second Life Cable Network (SLCN).

In real life, Professor Bloomfield is director of Graduate Studies and director of the Business Simulation Laboratory at the prestigious Johnson School of Management at Cornell University in Ithaca, New York. The Johnson School, founded in 1946, has a full-time faculty of sixty including twenty-one endowed faculty chairs. It offers four distinct MBA programs, executive education programs specifically designed for corporate employees, and a Ph.D. Program. Courses include accounting, communications, economics, finance, management, marketing, and operations research.

Sun Editor-in-Chief Surfdaddy Orca interviewed Beyers Sellers at Saxo Bank in Second Life. Saxo Bank is a specialized Danish investment bank founded in 1992, headquartered in Copenhagen, Denmark, with an island in Second Life that is "largely an experiment in communication" according to Jillian Sayuri Falconi. Saxo Bank is a *Metanomics* sponsor, and the location of a November, 2007 banking panel hosted by Beyers.



Surfdaddy met with Beyers Sellers at Saxo Bank

Surfdaddy Orca: Can you talk a little bit about how your background in finance and accounting led you to virtual worlds and how you ended up in Second Life (SL)?

Beyers Sellers: Sure. Since I started my Ph.D. program in '87, I have been focusing on laboratory economies. Basically, I would bring students into my lab, and have them use networked software (which I originally programmed in Hypercard!) to trade securities, or engage in other economic decisions – mostly finance, financial markets, and accounting. So it is a pretty natural step for me to explore whether virtual world platforms could be the "next generation" lab for me. I ended up in Second Life because it was a natural counterpoint to World of Warcraft (WoW). WoW is highly structured, meaning that the developer provides goals for the residents. SL is unstructured – people seek out their own goals. So I studied both of them. When I discovered the financial markets here, I was hooked.

Surfdaddy Orca: Well, you certainly have done well in Second Life with your *Metanomics* series.

Beyers Sellers: Well the series has been fun. It actually sprang from a much more modest goal to have a few guest speakers for my class. I wanted to bring in a few students to SL, nothing too special. But so many residents wanted to

join in for the speakers that I linked up with Nick Wilson (then of *Metaversed*) to make it open to the public. The rest sort of happened.

Surfdaddy Orca: It was recently announced that that *Metanomics* "had gained enough momentum as a series to remain a success, and so it made sense for all concerned to allow it to officially become an entity of its own." How will this split affect the programming and content of the *Metanomics* series?

Beyers Sellers: Well, I have always controlled the content of the show – picking the guests, structuring the discussions. It may not show, but I prepare quite a bit for these shows, reading extensively and providing an outline of topics, and so forth. *Metaversed* was taking care of the production side, which was incredibly helpful between the land, the sound, security, and so forth. That got even more elaborate once we set up the "event partner" mode. Since it is hard to get many people on a sim at once, we were bursting at the seams trying to fit 120 people onto a single sim, and still having to turn people away. I really don't like having to struggle with lag while running a show, especially since many of our guests are not SL regulars. We need to show them—and the non-SL viewers of the show—what SL can do. So I insisted to Nick and SLCN that we figure out a way to solve this problem. Our solution was to restrict the sim to



Beyers Sellers

about forty, maybe a touch higher, and then have audiences at other locations watch the stream live.

Surfdaddy Orca: It seems to be a very effective way to distribute the load to avoid lag.

Beyers Sellers: We keep them involved by having everyone join the Metanomics group. Then they use the group chat channel for backchat across sims. So if you just join the channel, you can be in with everyone else. This also helps get the word out about the show because the event partners do their own promotion.

Surfdaddy Orca: If you don't mind me asking, what is your relationship to Nick Wilson's new venture, Clever Zebra?

Beyers Sellers: At this point, pretty distant. I have so many things going on in first and second life, that I have a pretty distant relationship to a lot of things. I see divergence for a bit, then we will converge when their products are online. They have pulled away from live events, which are still a major focus for me. I have some other projects in the works that ultimately will target the same markets as CZ is targeting: the real life (RL) business community wanting to have events in SL. One new project is to provide executive education classes in SL about virtual worlds with eCornell, the online arm of Cornell. We expect to hammer out an agreement in the next few weeks, with a class or two offered in early summer. This would be pretty much classic executive education... case studies, group discussions, and so on. We may also offer it as a for-credit class here.

Surfdaddy Orca: So your work in virtual worlds appears to be well supported by Cornell.

Beyers Sellers: Cornell has been quite helpful. Tenured professors are given a lot of freedom to pursue their interests.

If they don't pan out, the faculty member suffers. If they start getting traction, there are resources. And I am glad to say that the resources are coming in from a variety of Cornell sources. First, of course, is my own Johnson Graduate School of Management. They provide me with a research account, which I can spend however I choose. But, as things have picked up, they are providing some more resources. Second is eCornell. And third is a group called Entrepreneurship @ Cornell (E@C). They foster any sort of entrepreneurial focus here, and have a real interest in SL because it is, at heart, so incredibly entrepreneurial.

Surfdaddy Orca: In your opinion, how is Metanomics viewed by the academic community outside of Cornell?

Beyers Sellers: Well, first a bit of context: my research places me in the field of "experimental economics." Even though Vernon Smith won the Nobel prize a few years back for starting the field, it is still viewed as a niche, or even fringe, area. So imagine where I am now, on a fringe of a fringe. But I have always been willing to take risks, and just see where they lead me. As it is, I think more and more people are saying this might be interesting. Other schools, like Stanford and Emory, are doing quite a bit.

Surfdaddy Orca: Are you actively working with graduate students in the area of experimental economics as it applies to virtual worlds?

Beyers Sellers: Oh, yes.

Surfdaddy Orca: What are some of the key areas of research?

Beyers Sellers: Separating from Metaversed/CZ has forced me to find some people to help me out. One is a grad student at Tufts, Steve Atlas (Curric Vita in SL). For my own students, a big focus right now is understanding the data from the SLCapEx. Investor Allen was kind enough to give me access to the database, which Arbitrage Wise has continued. So I have been working with a doctoral student here, Young-Jun Cho, to understand how those markets work. I hope to be able to present preliminary results in a month or so. But it has been far more time consuming than expected, because the markets are so different from what we are familiar with – the structure of IPOs, the structure of the data, and so forth. I am working with another doctoral student, Kristi Rennekamp, who wants to create synthetic securities that can be traded on SL exchanges. We would then alter how the synthetic firms report information to investors and study the data. That will

take a while though, because we will have to get clearance from legal counsel, and perhaps even Linden Lab (to make sure they don't think it is gambling).

Surfdaddy Orca: Can we expect a book on Metanomics in the near future?

Beyers Sellers: Actually, I wrote a book proposal a couple of months ago. But I am not sure it makes sense yet. There are already some really good books about SL, from people who know a lot more than I do. And I have only begun actually conducting research.

Surfdaddy Orca: Sure... but, you've had some great Metanomics sessions. Simply publishing those would make a great book.

Beyers Sellers: Well, E@C and eCornell are chipping in to pay for transcripts. And I suppose we could publish those. Mostly, we have been seeing those as ways to make the shows more accessible... and of course, reporters love them. Plagiarizers!

Surfdaddy Orca: An effort to establish a "Metaverse Market Index" (MMI) was announced at the Virtual Worlds Conference in October. Where does that stand?

Beyers Sellers: It has taken a lot longer to pull that together than expected, but it is finally happening. I have a project director, Steve Dashiell (Miles Eun in SL) and a number of people have volunteered to be on the advisory board. We have been slowly building a website that shows what we have in mind, and then we have the big step – asking people for money to make it happen. This is a non-profit endeavor to provide a reliable course of data about virtual worlds: user bases, investment, and so forth.

Surfdaddy Orca: How broad a range of virtual worlds will it encompass? Are you coordinating with the Federation of American Scientists (FAS)?

Beyers Sellers: My definition of "virtual worlds" is pretty broad. I haven't had contact with them, and probably should! There is a lot of overlap, but there is one aspect that is really quite different from what I understand their project to be. Remember that I am in business, not "science" exactly. A major motivation of this project is to provide the information that businesses need in order to understand virtual world investments: how many users, how successful are various efforts at engaging residents, and who is investing in which worlds.

Surfdaddy Orca: Stepping into the theoretical for a second... are you an experimentalist, augmentationist, or immersionist (or all three)?
Beyers Sellers

Beyers Sellers: Personally, I am very much an augmentationist. I think I am too self-conscious to be an immersionist, myself... I was never good at role playing, even though the Wall Street Journal says Metanomics is a “pretend” TV show! I am in SL very much to further my RL goals. But that said, my research spans all three. In Metanomics, and in my research in SL more generally, I have been fascinated by the immersionist aspect – watching, for example, Raven Pennyfeather make her RFYRE DESIGNS business grow. I view the SL stock markets as essential immersionist – with rare exceptions the economic forces are all in-world. My work with Kristi is likely to be experimentalist, creating securities on these exchanges with carefully controlled properties. Ultimately, I want to be what I now think of as a “radical experimentalist” not just conducting experiments within virtual worlds, but creating entire worlds that differ in only one dimension so that we can compare across worlds. This is what we will be talking about at the [Emory Conference](#).

Surfdaddy Orca: Sounds interesting... I was unaware of the conference.

Beyers Sellers: Yes, it should be fascinating. All we need now is lots and lots and lots of money :)

Surfdaddy Orca: Ha! Don't we all. By the way, what do you think of *The Wall Street Journal* comment?

Beyers Sellers: Well, what exactly is a “pretend” TV show? I actually puzzled over that a bit, and I think I have an answer. Wiz Nordberg, head of SLCN, replied to me that he hadn't heard that expression since he was thirteen. This made me realize: what doesn't a thirteen-year-old have, pretending he is a talk show host in his attic? I think it takes three things: content, audience, and sponsors. As far as content, I think we do pretty well – scholars, executives, and regulators – coming up we have some fantastic guests, the CEOs of There, Kaneva, and others. Wiz is getting me stats on the audience, but I know that SLCN has over 100K viewers a month in-world alone (that is, ignoring web feeds, which are probably larger) and for sponsors? Well, you have seen the list.

Surfdaddy Orca: One more question if I may – what are your predictions for the state of virtual worlds in general, and the state of Metanomics in particular, over the next two years?

Beyers Sellers: Hmmmm... I admit I am not much of a futurist. But I can say that I don't see any forces that are going

to stymie growth much. And there are a number of things that could vastly improve it. I assume there will be some major announcements from developers and new money coming in. I don't think I know any more about the future of virtual world than you do, frankly.

Surfdaddy Orca: Sure, but I figured you might have an opinion :)

Beyers Sellers: Well, I guess I toe the party line: they are the future of e-commerce and education. So what else is new? Seriously, I have been talking with textbook publishers a fair bit about the [education side](#). As far as the future of Metanomics, it has been a blast. A lot of work, but a very effective way of meeting people and learning about new dimension of the Metaverse. So I plan to keep doing it. I also plan to secure some more funding so we can do a better job on the show, and more generally to create a community interested in the topic (business and policy in the Metaverse) – especially academics.

Surfdaddy Orca: Thanks so much for the interview! I think there will be a lot of interest in the direction you're going.

Beyers Sellers: Thanks, Surf. I hope so. ☘

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