

# Occupy Tom Nook—A Case Study in Rural Economics and Property Monopoly

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## 1 Introduction

Animal Crossing is the name given to a loose agglomeration of villages on the south coast of Japan. Although now connected to the wider world through a series of transport and communications services, the region's economy remains extremely different from any recognizable socioeconomic system from outside the area.

The dominant controller of economic capital in the region is the Nook family zaibatsu, run by a raccoon dog named Tom Nook. A classic example of a vertical monopoly, Nook not only owns all land within Animal Crossing, but also runs a construction firm, wholesale market and retail market chain. Until recently, Nook had an absolute monopoly in the purchase and sale of food and general goods (clothing was produced and sold by small family concerns, but these did not compete with Nook in most markets), but with the arrival of the nascent green economy, recycling centres have begun to emerge. These provide villagers with a means to bypass the Nook zaibatsu for the sale of small goods and the like. A black market also exists, based around a pyramid scheme, although its irregularity and the poor quality of its goods and services means that it appears to have had little effect on the profitability of Nook zaibatsu. (Zyle et al, 2013)

The Nook zaibatsu has been further weakened by the break-up of its tertiary sector business, most likely by anti-monopoly commission. Tom Nook now only owns the property wing of the group—"Nook Homes"—while the retail wing has been spun off into its own company. However, this company—"Nookling Junction"—is owned and operated by Timmy and Tommy Nook, nephews of Tom Nook. (Master et al, 2013) Through his transparently named front company, Tom Nook thumbs his nose at the ineffectual

anti-monopoly commission. It is worth noting that Nook Homes has been witnessed by human rights groups building with no sign of planning oversight—one undercover investigator was told that she could build a house anywhere in the village, up to and including a forest containing a rare "perfect apple" tree—implying at least a degree of government collusion in his actions.

## 2 Capital and labour

Although the region is gradually progressing from a barter economy, in which clothing and furniture circulate as a proxy currency, to one based on a Nook zaibatsu scrip currency known as "Bells" (whether actual bells were ever used as a transition currency is now lost to the mists of time), Animal Crossing remains economically underdeveloped. Division of labour has been noted by anthropologists, but only sporadically—most specialized labourers work for the government as delivery workers, drivers and clerks of various kinds. These are supplemented by a small group of idle rich and a handful of private citizens who carry out socially beneficial roles such as hairdresser and DJ. (Zarashi et al., 2013)

Below these is a significant underclass of peasant workers—people, mostly children, who earn money through a combination of farming, fishing, scavenging and cash-in-hand casual labour. One of the more unpalatable facts about the Nook zaibatsu is their role in sustaining and even expanding this group. Human rights groups contend that naive youngsters moving to the region are met by a Nook representative and signed up to without their knowledge to the company's mortgage scheme. (Boy et al., 2013) Under the terms of this mortgage, which would be illegal in most developed nations, the Nook zaibatsu reserves the right to make modifications to the house at any time, and then charge these to the resident. By timing renovations to the payment schedule of the house, the Nook Zaibatsu can trap citizens in a cycle of debt, and because they are the primary source of money, villagers are effectively forced through debt bondage to become workers for the zaibatsu without receiving the usual benefits of employment.

By leveraging these pliable youngsters into unelected positions of power, such as the sham "mayoral" position open in many villages, the Nook zaibatsu indirectly controls much of the day-to-day political business in the region, allowing them to implement, for instance, price fixing laws. By in-

fluencing the decision-making process behind public works projects, the zaibatsu ensures a constant income stream for its construction wing—a common form of political-industrial corruption, especially in Japan. (Kerr, 2002)

### **3 Poverty at the top**

However, while Tom Nook has a (well-deserved) reputation as an usurer, extortionist, gangmaster and Machiavelli by wider national standards, his wealth is modest. A single piece of local fruit in Animal Crossing sells for 100 Bells (fruit from neighbouring areas sells for at least 300 Bells, a sign of the poor transport and logistical connections within the region), and even the detritus (for instance, seashells and insects) that, in most cultures is less than worthless, can be sold for good sums of money. (Davies et al., 2013) A comparable apple in the rest of Japan would cost around 100 yen (implying a roughly 1:1 exchange rate). In this context, the several million Bells that a worker is forced to pay over the course of their indenture only amounts to around ten to twenty thousand euros. The property boom that has swept the rest of Japan bypassed Animal Crossing, despite the best efforts of the Nook zaibatsu. The entire Nook property portfolio in a typical village is worth less than a single house elsewhere in rural Japan.

As previously mentioned, Animal Crossing is connected at least in part to modern society. A coastal railway links much of the area, and some areas can be reached by paved roads. (Everdeen et al., 2013a, b) The postal service is universal, and citizens are keenly aware of the internet revolution. One of the cities in the region has been modernized, and supports a thriving tertiary-sector economy. Notably, this is the one area in the region where the Nook zaibatsu has not been successful. (Ryan et al., 2013) Whether this is because the relatively large liquid assets of the city's residents make them resistant to debt bondage schemes, or whether its wealth instead stems from Nook's inactivity in the area is hotly debated by scholars in the literature.

### **4 Visions of the future**

Recent months have seen a wave of political change sweep Animal Crossing, mimicking the Arab Spring and similar revolutions seen around the world. While the break-up of the Nook zaibatsu appears to have had little effect

on the everyday lives of its citizens, the critical debt spiral has been weakened—Nook Homes is no longer able to make as many changes to a building without its inhabitants’ permission. (Meg et al., 2013) The opening up of markets to competition—no matter how slight—has resulted in better sale values, turning scavenging from a buyer’s market into a seller’s market, and while Nook keeps a hand in the political system, the opening of town halls suggests a movement from an informal, easily-manipulated government to with at least some accountability to the people, perhaps with the power to regulate the wild, uncontrolled zaibatsu.

Further progress is needed, of course—Nook retains a monopoly over land in Animal Crossing, and although the area claims to be democratic, no elections have been recorded. Every single town reports a 100% mayoral approval rating; a sure sign of statistical manipulation. Nevertheless, there is reason to be hopeful that, just maybe, Animal Crossing has turned over a new leaf.

## 5 References

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