

# Cultural Daily

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## Are crypto games considered gambling?

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Crypto gambling is a vast and fast developing sector in the casino space that is getting more and more popular. Ever since online casinos started adopting blockchain technology allowing people to gamble using cryptocurrencies, Pandora's box was open leading to the still not fully explored potential of crypto gambling.

With the rise of this new technology, many casinos started developing crypto games that work differently from traditional casino games. Just because of the unique structure of blockchain technology, casinos are now able to create games that involve [Bitcoin gambling](#) and even pump out digital collectibles in form of NFTs.

As cryptocurrencies are getting more and more popular, many new crypto games are emerging allowing people to earn money by playing their favorite games.

However, the big question here is, are crypto games considered gambling?

Let's find out.

### Definition of Gambling

In order to know if something is gambling or not, we have to go back to the definition of gambling and find out what falls in this category. By definition, gambling is betting or staking of something of value, with the consciousness of risk and hope of gain. The outcome of such games, contests, or uncertain events can be determined by chance, accident, or skill.

So, judging from this angle, does this mean that crypto games can be considered gambling?

Well, not so fast.

The crypto gaming community is vast and it is constantly introducing new ways of playing games. This means that there are many different types of games that fall under the crypto gaming category. Therefore, we cannot make a general decision on whether or not the entire crypto gaming world can be considered gambling.

### Types of Crypto Games

Game developers have gone on a different route when it comes to utilizing blockchain technology. Some game developers create games on top of blockchain networks just to give them the ability to

use cryptocurrencies for the process, and others go on a different route creating more complex games with their own economies.

This means that crypto games can be sorted into different categories, such as:

### **NFT Games**

These games feature a play-to-earn model with the integration of blockchain technology in the gaming process. These types of games use **distributed ledger**, which sits on top of a blockchain network framework, just to store in-game items and tokens.

The only reason why these types of crypto games cannot be considered gambling is that most of them don't require players to invest their own assets in the games. NFTs can be earned by completing tasks and performing different in-game actions.

In other words, players don't need to risk their own funds to earn crypto tokens or NFTs.

With that, some types of NFT games have an option to purchase digital collectibles (NFTs) with real money or cryptocurrencies. These types of games can be considered gambling as people purchase these assets with the hope to gain profits and sell them at a higher price.

### **Crypto Gambling**

The most common type of crypto game is an exact replica of traditional casino games that can be found in most online casinos. The idea behind such games is that casinos use the same principles as traditional games and the only difference is allowing people to gamble with cryptocurrencies instead of real money.

Such types of games can be considered gambling. Additionally, this new technology allowed game developers to create unique casino games that are based on an **RNG** (random number generator). This means that the outcome of every spin or action in the game is based on an algorithm that decides when people are going to earn or lose money.

Most of the games in the online casino space that use blockchain technology rely on centralized control but utilize the advantages of cryptocurrencies as a means of payment.

In other words, they are no different than traditional games in online casinos.

### **Can Crypto Games be Considered as Gambling?**

Well, there isn't a simple answer to this question and the fact that most countries still have no laws regulating crypto gambling proves that it is difficult to draw the line between different types of games.

The simplest answer to this question is, that it depends.

Many factors dictate whether or not a crypto game can be considered gambling or not. The fast-developing market gives the ability to game developers to introduce a new concept of games where players can be rewarded for their actions.

Such games involve their own economies and marketplaces where people can earn money by

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selling digital collectibles or trading their in-game currency. This doesn't mean that such games can be considered gambling.

However, the market is now dominated by casino-style crypto games, where players need to make a bet on an uncertain event that is based on luck. Such types of games can be considered gambling.

*Photo by Kanchanara on Unsplash*

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