

# **Ethics and Gaming: The Presentation of Ethics and Social Responsibility by the Japanese Game Industry**

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## **Abstract**

This chapter explores the ethical positioning of major corporations in the Japanese videogame industry. In taking an interpretative, content analysis approach, we look at how annual Corporate Social Responsibility (CSR) reports and related documents prepared by seven major Japanese game companies like CAPCOM and Nintendo present ethics in their own words. How do Japanese video game companies promote responsible gaming at a time when “gaming disorder” was included in the World Health Organization’s 11<sup>th</sup> Revision of the International Classification of Diseases? While many Japanese companies are working to uphold the United Nations Sustainable Development Goals, our aim is not to test the validity of their initiatives but to understand the kind of discourses used to frame how Japanese game companies promote responsible gaming to trouble perceptions that games are unhealthy. We hope that this chapter provides researchers with insight into the unexplored terrain of the Japanese game industry and to work towards a theoretical foundation of effective CSR practices.

## **1. Introduction**

In 2018, “gaming disorder” was included in the World Health Organization’s 11th Revision of the International Classification of Diseases (ICD-11). Japanese videogame companies responded in their annual reports, and Corporate Social Responsibility (CSR) reports showing what they were doing to promote responsible gaming, given that gaming was in danger of going from being a form of entertainment to a type of behaviour that could become a health condition. This added a new ethical burden to companies in the gaming business – to be responsible corporate citizens, they now need to justify how they are not promoting an unhealthy product. And that is what this paper is about – the ethical positioning of major corporations in the Japanese videogame industry. To look at corporate ethics positioning, we will first look at how ethics is discussed in game studies and then how CSR is discussed in Japan. We will then outline how we use content analysis as a methodology for surveying the ethical

issues in corporate documents like annual reports and finally describe the major issues that emerge from a content analysis of Japanese reports.

## **2. Ethics and Gaming**

There are many different ways to think through the ethics of gaming. We can look at how games affect players; we can look at the ethics of the situations represented in games, and we can look at the ethics of the development community. Reynolds (2002) and McCormick (2001) use traditional ethical theories to evaluate games. For example, Reynolds applies standard normative theories such as Consequentialism, Deontology and Virtue Ethics to answer whether *Grand Theft Auto III (GTA 3)* is immoral. While he finds that *GTA 3* is unexceptional, he concludes that “I would argue that it’s easy for each of us to make a personal judgement about the moral status of a game - just think about the choices you have to take to win, and consider what they say about you” (11).



Grossman and DeGaetano (1999) argue that violent games are like military training in that they desensitize participants to killing. This is more of a psychological argument, but it has ethical implications. What does it say about people if they choose to practice killing for fun or design games for others to use for such practice? As McCormick points out, virtue ethics, which goes back to Aristotle, emphasizes the becoming of a good (virtuous) person. Virtue ethics recommends that one needs to practice being good to become good. While playing a violent game every once in a while is unlikely to make much of a difference, playing violent roles obsessively could define one.

Seen in this way, the computer game constitutes an incredible resource for self-reflection and personal exploration, one with rich potentials for moral and ethical education. No other current art form allows such an intense focus on choices and their consequences; no other art form allows us this same degree of agency to make our own decisions and then live through their outcomes (Jenkins 2010, xvi).

By contrast, Jenkins (2010) and Sicart (2005) encourage us to think about the experience of playing as a place for possible ethical reflection. A game may be violent, but what matters is how the player navigates the violence. The same game for one player could be the occasion for ethical reflection and for another just some mindless fun.

Then there are approaches to the ethics of games that look outside the games themselves. For example, Hall's discussion (2003) of the ethics of video game journalism looks at the ethics of the paratexts of game journalism. He describes how game publications "employ low-paid hobbyists who are easy targets of lavish marketing events that encourage inappropriate ties between game makers and game critics." The ethics of games journalism is, of course, one of the issues that are supposed to have animated the Gamergate phenomena, though, as Robert Faris wrote, the controversy "quickly spiraled into a bitter debate about feminism, misogyny, online harassment, and media conspiracy that was both intensely polarized and highly politicized" (Gasser et al. 2014).

More recently, there has been sustained and welcome attention is given to the systematic harassment of women in the games industry. While scandals around the treatment of women are not new, there seems to finally be a level of accountability in the games industry. For example, Ubisoft has dismissed several senior staff for creating a toxic

environment (Schreier 2020). Our research expands on this approach. We want to see how corporate ethics, including staffing issues, are presented by Japanese game companies. What standards for CSR do they hold up for themselves? Ultimately, the goal is to track the sorts of commitments made by companies and then evaluate their adherence to CSR goals to understand industry ethics, and second encouraging ethical consistency on the part of companies. We focus exclusively on Japanese companies because we believe, following MacIntyre (2007), that ethics needs to be understood as embedded in a culture. (More on this below).

### **Changes in the Perception of Corporate Social Responsibility (CSR) in Japan**

As Kawamura (2009), in his summary of the history of CSR in Japan, points out, the concept of CSR itself is not new. In fact, the concept of environmental management has been around for 50 years in Japan, and corporate ethics became especially prominent in the late 1990s when the economic bubble burst. A series of corporate scandals in and after 2000 then triggered an explicit interest in CSR. 2003, when a number of companies, including Sony, established CSR units, is seen as the first year of CSR management.

Hirata (2008) argues that there were four waves of corporate scandals in Japan. In the 1960s, there were scandals around industrial pollution and other problems. Then, there was the oil crisis of 1973-74, which some companies scandalously profited from. In the 1990s, there were scandals around fraudulent loans and fraudulent accounting. Finally, in the 2000s, there were scandals around mass food poisoning, food fraud, automobile complaints and recalls falsified nuclear reactor damage reports, false statements in securities reports, and fraudulent accounting. The majority of these scandals were deliberately caused by companies who knew they were antisocial. As a result, Hirata (2008) says we live in an era in which "corporate social responsibility, corporate ethics and corporate governance in a new sense are being questioned" (76-77).

Adachi (2004) discusses how in the 1990s, during the so-called lost decade, Japanese companies thought they would abandon the Japanese model and move closer to the American business model with its extreme emphasis on shareholder value at the expense of other stakeholders. However, many companies ended up finding that the American model did not fit. Instead, there is now new

interest in examining European models of corporate management that recognize responsibility to a range of stakeholders.<sup>1</sup> In contemporary Europe, there is a standard definition of CSR (the responsibility of enterprises for their impact on society) set by the European Commission. According to this definition, companies are required to: maximize the creation of shared value (CSV) for their owners/shareholders and their other stakeholders and society at large; and identify, prevent and mitigate their possible adverse impacts.

The European approach positions compliance with laws and respect for collective agreements as a prerequisite and then integrates “society,” “environment,” “ethics,” “human rights,” and “consumer concerns” as core strategies for corporate activities.

Today, CSR is considered core to businesses; it has become a corporate activity itself that is treated as a means that responds to company stakeholders’ expectations and needs.

Who are the perceived stakeholders? On the one hand, due to a lack of financial education in Japan, Japanese consumers have not developed an investor’s or stakeholder’s perspective. Instead, they find their connection to companies in products and services. In fact, a breakdown of personal financial assets in Japan since the 1980s shows that consumers are relatively unaware of their stakeholder status as cash and deposits remain the largest source of financial assets.

On the other hand, for a long time, companies’ main stakeholder has been the “main bank.” The Japanese main bank system is closely related to certain commercial banks and their industrial and commercial borrowers, making these main banks the primary stakeholders. Thus, satisfying the main bank has become more important to companies than their perceived corporate social responsibility, which is widely supported by society.

That said, the main bank system is losing its relative importance to Japanese companies these days. Investors are no longer just from Japan; they are from all over the world. What Japanese companies need to be aware of is how consumers, investors, and financial institutions around the world see these companies rather than just their main banks.

### **3. Methodology**

We now turn to our study and its methodology. Our approach takes a different tack than most game studies discussions of ethics. First, we start from the position that ethics is always culturally situated, as MacIntyre in *After Virtue* (2007) reminds us. By this, we mean that the ethical is not universal across time and culture. Instead, the ethical is negotiated over time in different cultures. In this, we follow the position put forward by Jenkins and Sicart, but on a larger scale: that what matters is how ethics is experienced, discussed and dealt with in a culture at a particular time. Specifically, we want to look at how ethics is negotiated in Japanese game culture today, independent of how it is discussed in the West. To that end, we have taken an interpretative, content analysis approach, combined with discourse analysis (Neuendorf 2017), looking at how annual reports and related documents prepared by major Japanese game companies like CAPCOM and Nintendo present ethics in their own words. This approach has a number of limitations and features,

The discussion of ethics in annual reports and other corporate documents is necessarily framed by Investor Relations (IR) and Public Relations (PR) concerns. These documents are a genre that is read mostly by an audience making investment decisions. They are not written for ethicists or game studies scholars (which might be a good thing.)

Given that we focused on the major Japanese game companies, these documents were also written with both a national (Japanese) and international audience in mind. By contrast, documents from smaller companies might reflect more local concerns, though one of the features we found in the documents we reviewed was concerned with the local.

The discussion of ethics in these documents has to do mostly with corporate culture and social responsibility and not with the opportunities for ethical play within games or representations of ethical actions within games.

The reports often address the current issues that companies are sensitive about, like the WHO’s inclusion of “gaming disorder” in the 11th Revision of the International Classification of Diseases (ICD-11).

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<sup>1</sup> In brief, there are three types of corporate management models: the U.S. model, which places extreme importance on the existence of shareholders; the European model, which strives to balance the expectations of various stakeholders; and the Japanese model, in which

management or the company takes the initiative in making decisions in an ambiguous relationship that does not follow the dichotomy between the company and its stakeholders.

We have closely read the 2019 annual reports and related documents of 13 major Japanese videogame companies to understand how ethics is conceived in Japan. The first 7 will be referenced in this paper. The companies include:

- Bandai Namco Holdings Inc.
- Capcom Co., Ltd.
- KOEI TECMO Holdings Co., Ltd.
- Konami Co., Ltd.
- Nintendo Co. Ltd.
- SQUARE ENIX Holdings Co., Ltd.
- SEGA SAMMY Holdings Inc.
- Colopl Inc.
- Cyberagent Inc
- DeNA
- GungHo Online Entertainment, Inc
- Mixi Inc
- TOSE Co., Ltd.

In their “IR library” (Investor Relations) sections, the reports and associated materials of most companies typically have a section on Corporate Social Responsibility (CSR) or Environment, Social, Governance (ESG) initiatives. As these corporate reports are part of IR/PR (Investor Relations/Public Relations), they deal with a much wider range of issues than those raised by scholars around the ethics. These reports address the ethics and social responsibilities of video game companies and examples of how they are contributing to society. Obviously, these annual reports are highly crafted statements designed to present a positive image and may not present controversies openly. Still, exactly for that reason, they provide a survey of the rhetoric around ethics and responsibility as framed by one set of stakeholders addressed to investors and the public. They also provide a collective ideal from one set of stakeholders with significant agency against which we later measure their efforts.

In our study, we iteratively went through the documents collected, categorizing the issues presented that we considered being of ethical relevance. Our content analysis was iterative because as new issues cropped up explicitly, we often had to go back and re-read reports to see how the issue might have been presented by other companies, if at all. As is always the case, half the work with content analysis is allowing the categories to emerge

hermeneutically from the documents as opposed to imposing a pre-existent framework. We should also mention that we found that in some cases, key ethical issues were not in annual reports but in other documents that were less accessible. In the end, we found a total of 30 issues that Japanese game companies care about and grouped them under the following major thematic categories:

- **Slogans:** How does a company represent itself through mission statements and/or slogans?
- **In-Game Issues:** What issues about content in games are presented?
- **Business, Legal, or Financial Risks:** How does the company present its business risks?
- **Promoting Diversity:** How is diversity discussed?
- **Community:** How are relationships with what communities presented?
- **Workplace:** What issues about the workplace are discussed?
- **Manufacturing Practices / Supply Chain:** What, if any, issues around the manufacturing of games, consoles etc., are presented?
- **Other:** What rhetorical features are of interest in the documents presented?

In all of these major categories, we have tried to quantify the existence of or commitment to an ethical issue through a close reading of the documents. The data has then been entered into a spreadsheet that gives us a comparative overview of the issues.

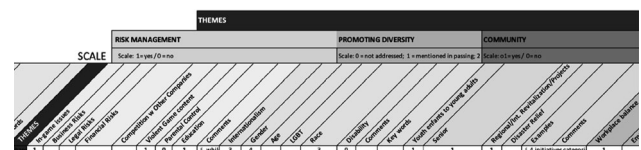


Figure 1: Detail of the Content Analysis Sheet

Needless to say, categorizing a variety of statements inevitably leads to complex differences being simplified to be able to compare companies using emergent categories. No company fits cleanly into our matrix. Nor are we sufficiently confident in our content analysis to present definitive comparisons of the sort that company X is more or less ethical when it comes to theme Y. For that, we need to look at multiple years, and we need to test our coding rubric, but this approach allowed us to survey the salient issues and present them. In the next sections, we will

discuss the five key issues that emerged in the documents illustrating them primarily from Capcom, Bandai Namco, and Nintendo’s documents.

#### 4. Environmental Sustainability

While environmental issues are represented in games, the Japanese industry justifiably takes pride in their environmental sustainability efforts in development and manufacturing. Most of the companies reviewed devoted a section to environmental activities, ranging from reducing CO<sub>2</sub> emissions to recycling game machines and promoting environmental awareness through regional/local activities. A good example is Capcom, which has a full page of their *Integrated Annual Report 2019* dedicated to “Capcom and the Environment” (52). On this page, they first discuss how they are a company whose revenue comes mostly from digital content. Therefore, their impact on the environment comes mostly from “the power used for office work and at amusement facilities, as well as from distributing our products ...” (52). Thus, their environmental focus has been on “reducing CO<sub>2</sub> emissions” through energy savings and “conserving resources through digital sales.” They are proud to have achieved for four years in a row an “S-class” ranking for complying with the Natural Resources and Energy in accordance with the Act on Rationalizing Energy Use by continually reducing their energy intensity.

Likewise, Bandai Namco mentions reducing CO<sub>2</sub> emissions in their *Integrated Report of 2019*. In their “Fun for the Future! BANDAI NAMCO Group CSR Activities” document (2019), they also have a two-page spread detailing some of their other initiatives, including labelling, reducing packaging for Gachapon products, and shifting to paperless digital drawing.

Similarly, Sega Sammy’s commitment to environmental issues seems quite extensive, including but not limited to, regional and local activities such as beach cleaning campaigns (see page 42 of Report) and environmental preservation activities such as “Sega Forest Activity,” (44).<sup>2</sup>

Finally, it should be mentioned that the “Fun for the Future!” document also mentions how Bandai Namco is working to contribute to the UN’s Sustainable Development Goals (SDGs).<sup>3</sup>



Figure 2: Pages 13 and 14 of the “Fun for the Future!” document

In addition, we have also worked to identify how our activities, which are aligned with our businesses and the Important CSR Themes, can contribute to the Sustainable Development Goals (SDGs)\*, which are the focus of growing attention in society. When we requested an analysis from a third-party institution, we obtained an evaluation stating that we have already taken steps to address many of the 17 SDGs, and we were able to confirm that our direction is aligned with the demands of society. (3)

Of the 17 UN SDGs, they show badges for 13 of the goals on page 4. It is worth noting how Japanese companies frequently reference national or international frameworks like the UN’s SDGs to demonstrate how their ethical initiatives are aligned with larger initiatives and not just conveniently invented.

#### SDGs for which third-party evaluation was received



Figure 3: Detail of Page 4 Showing SDGs

#### 5. Supply Chain Ethics and Human Slavery

The supply chain is an important challenge to modern corporate ethics, especially for companies that produce hardware like Nintendo. The supply chain is the network of

<sup>2</sup> For a comprehensive list of their environmental initiatives refer to pp. 42-45 of their report.

<sup>3</sup> <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

subcontractors, often in other jurisdictions, that provide raw materials, components or assemble them for sale under the brand of the contractor. Companies like Nintendo are “fables,” meaning that they manufacture very little themselves; instead, they source materials and components from other companies, as we all discovered when the Nintendo Switch sold out so quickly. Over the years, outfits like Greenpeace have investigated the ethics of the manufacturing of play and criticized companies like Nintendo for not taking responsibility for their supply chain. Fables manufacturing can be a way of distancing a company from any responsibility.

The Greenpeace *Playing Dirty* project looked at the hazardous materials used by the big console makers (Microsoft, Sony and Nintendo).<sup>4</sup> More recently, gameindustry.biz has been running an investigation of ethical mineral sourcing in the gaming industry (Valentine 2019). Journalist Rebekah Valentine points out the pertinence of Nintendo’s slogan “putting smiles on the faces of our supply chain” as they audit the sources of conflict minerals and try to ensure that their products are ethically sourced. Nintendo clearly takes this seriously, as their *CSR Report 2019* attests, probably because of projects like *Playing Dirty* and reports like that of Valentine. The full CSR report online goes into some detail about their materials sourcing, a sign of the importance Japanese companies pay to appear to be creating products that consumers can have fun with without guilt.

An interesting and related issue is what gets called “modern slavery” following the UK’s Modern Slavery Act 2015. A number of Japanese game companies have Modern Slavery Transparency Statement(s), including Nintendo, Square Enix, Sega Sammy, Konami, Koei Tecmo and Bandai Namco. These statements, which range between four to six pages in length, address human rights issues from child labour to human trafficking. They are cross-cutting statements dealing with human rights both in the supply chain and among employees. Here, we see a dialogue reproduced in Nintendo’s *CSR Report 2019*:

Tomita: Laws and regulations related to human rights are spreading rapidly worldwide, such as the UK Modern Slavery Act enacted in 2015. Nintendo

established its own global human rights policy in 2018 as well, right?

Furukawa: It goes without saying that it’s necessary to work on reducing the risk of human rights problems. (11-12)

President Furukawa goes on to explain that “Nintendo employees not only go directly to production partners to conduct thorough onsite checks, but we also carry out investigations through specialized external organizations to ensure objectivity” (12). Again, it is clear that Japanese gaming companies, most of whom are in the business of “fun,” are concerned that their practices appear consistent with human rights. They do not want the bad press that comes from a public shaming like the “Slavery Isn’t A Game” campaign in 2013 when demonstrators with Mario hats greeted people outside the flagship Nintendo store in New York (Bernstein 2013).

One of the striking things about the transparency statements themselves is how starkly designed they are compared to the CSR reports. Again, Nintendo is a good example. The *CSR Report 2019* is a digest that is colourful and full of pictures of smiling people. The “Modern Slavery Transparency Statement,” by contrast, is a simple PDF from a word processing document signed at the bottom by Furukawa. Slavery and rights are serious business, especially for a gaming company. CSR, on the other hand, is something to celebrate.

## 6. Diversity and Employee Health

Japanese game companies are concerned with human rights in their supply chain and with diversity and rights issues among employees, especially gender issues. The CEO of Capcom, Kenzo Tsujimoto, for example, in his message in the *Capcom Integrated Report 2019*, writes, “I recognize the importance of diversity for creating content that will resonate globally; thus, Capcom promotes the retention and training of talented human resources without regard for gender or race” (28). The *Report* gives examples of initiatives to promote a healthy work-life balance—a major issue in Japan that is associated with the declining birthrate. The initiatives include onsite childcare and healthy meals at a renovated cafeteria.

<sup>4</sup> Greenpeace’s *Playing Dirty* project is archived on the Wayback Machine at <https://wayback.archive-it.org/9650/20200404222519/http://p3->

[raw.greenpeace.org/international/en/news/features/clashoftheconsoles111207/](http://raw.greenpeace.org/international/en/news/features/clashoftheconsoles111207/).

In their *CSR Report 2019*, Nintendo likewise has a section with the heading, “Understanding of and Respect for a Diverse Workforce” (17). On the two-page spread, pages 3 and 4, they show a map of their workforce with numbers and percentages of women and men employees at the major locations.

Bandai Namco has extensive sections on employee initiatives, including a section on “Moving Forward to an ALL BANDAI NAMCO System that Realizes Synergies from Diversity” (62-63). This includes a subsection on “Implementing Working-Style Reforms and Promoting Active Careers for Women” that outlines guidelines to limit overtime work and work after 10 pm. These initiatives make for a healthier workplace, especially for women.

Similarly, according to Konami’s *Report*, the company has “been certified by the Minister of Health, Labor and Welfare as an outstanding company for promoting women’s participation in the workplace, and subsequently received the highest certification, the ‘Eruboshi’ symbol, in July 2016” as well as other nationally recognized certifications. In 2018, Sega also implemented something called a “Waku Lab, an information exchange site on our intranet to encourage individual employees to suggest work-style reforms through their own ingenuity” (35). In 2019, Sega opened its Soramori Nursery School to support employees “achieve a work-life balance.”

Altogether, there is an impressive variety of different types of initiatives across the reports reviewed. All of them dealt with employee issues in one way or another, suggesting that this is an important issue in Japan. Much more could be said about the initiatives and their implications for company culture and ethics. Still, it is worth pointing out that when it comes to the gender of the company officers represented in the annual reports, they are almost all men. More on this later.

## **7. Community Building**

One of the more curious types of initiatives undertaken by Japanese game companies is how they promote regional or local activities and contribute to regional revitalization projects through games/gaming. Local and regional activities range from company representatives giving lectures about the company, running workshops, offering special programs, and supporting after-school-programs such as sports clubs. Collaboration between game

companies and local festivals/festivities is also quite common. Capcom, for example, has 4 initiative categories through which they promote regional activities: economic development, cultural promotion, crime prevention education, and participation in elections. Sega and Bandai Namco, for example, have made donations as well as implemented activities for children in the area affected by the Great East Japan Earthquake, showing their commitment to providing support for disaster relief. Most notably, the current Chairman of KONAMI HOLDINGS, Kagemasa Kōzuki, founded the Konami Kōzuki Foundation in 1982 to support “various projects aimed at promoting the public interest and creating a better society through promotion and development of sports, education and culture.”<sup>5</sup>

These various efforts taken by game companies indicate how gaming as a form of entertainment is quite vital to community formation, mitigating the threat of “gaming disorders” and counters discourse around the negative impact that video games have on society. Game companies are invested in supporting campaigns and activities that promote knowledge and awareness of their involvement with regional and community-based projects to demonstrate their responsibility as corporate citizens within the gaming industry.

## **8. Slogans and Smiles**

As an entertainment company, we believe that spreading smiles among society through our products and services is an essential part of our social responsibility, so “Putting Smiles on the Faces of Everyone Nintendo Touches” is our corporate social responsibility (CSR) policy. Based on this policy, we have reviewed the CSR priority areas we established in 2015 and set three CSR priorities: to put smiles on the faces of our consumers, to put smiles on the faces of our supply chain, and to put smiles on the faces of our employees. (Nintendo *CSR Report 2019*, 1)

While corporate slogans and vision statements would not initially appear to be ethical issues, there is, especially in the games industry, a rhetorical coupling of vision and corporate activities. As the Google slogan of “don’t be evil” suggests, these pithy slogans have ethical implications and can either inspire conduct or be an embarrassment when a

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<sup>5</sup> See <https://www.konami.com/socialsupport/en/foundation/>.

company does not live up to its slogan. (It should be noted that Google has removed the motto from its code of conduct (Conger 2018).) Here is a list of some of the companies with mottoes or slogans. Note the emphasis on fun and happiness in different forms:

- Capcom: “Creator of entertainment culture that stimulates your senses.”
- Nintendo: “Putting a Smile on the Faces of Everyone”
- Bandai Namco: “Dreams, Fun and Inspiration,” “Fun for the Future,” and “Dreams, Fun and Inspiration”
- Koei-Tecmo: “Creativity and Contribution”
- Konami: “Valuable Time”
- SEGA Sammy: “Continuing to create moving experiences and making life more colourful.”
- Square Enix: “To spread happiness across the globe by providing unforgettable experiences.”

Nintendo is particularly interesting. They take the rather insipid motto of “putting a smile on the faces of everyone” and adapt it to show the consistency of their CSR strategy.



Figure 4: 2-Page Spread from Nintendo *CSR Report 2019*

On the two-page spread, 7 and 8 of their *CSR Report 2019*, they show how their three priorities flow from smiles. Their priorities are not just putting smiles on the faces of Consumers, but also, as mentioned above, putting them on the faces of their Supply Chain partner employees and on the faces of their Employees.

Needless to say, the *CSR Report 2019* is full of smiling faces, with but one exception, and that is Shuntarō

Furukawa, the President. Ironically, while the *Report* is full of smiling stakeholders, the President is represented as a serious and responsible president of a Japanese company. To be fair to Nintendo, the pictures of senior management in the annual reports reviewed almost all showed serious Japanese men in dark suits. There is probably little room for play when it comes to the boardroom. In fact, there often seemed to be a contradiction between the attention to diversity, the rhetoric of fun, and the visual representations of the seriousness of the business. Japanese gaming companies are shown to be run almost exclusively by serious men.

Smiles and seriousness are important to the socio-ethical challenge to gaming that companies face as international organizations like the WHO and public opinion focus on gaming disorders. Japanese videogame companies like Nintendo promote themselves as responsible companies creating “a circle of smiles in society” (*CSR Report 2019*, 10), but many also mention the WHO designation and respond with what they are doing to help players avoid unhealthy playing. The challenge is that, on the one hand, companies want to present their basic business of selling games as being something good for society in that it provides entertainment. At the same time, they have to deal with the perceived societal problems of excess gaming. This is the case for both long-established companies and emerging (mainly smartphone) videogame companies. The annual reports and CSR reports have to navigate this ethical space, or they appear uninformed to potential investors. They need to reassure investors that they are not unaware of the issue and that they have ways of navigating it.

## 9. Conclusion

To conclude, many Japanese companies are working to uphold the United Nations Sustainable Development Goals (“2030 Agenda for Sustainable Development”) that consists of 17 goals and 169 targets pledging to “leave no one behind, but each in their own way and to varying degrees.”<sup>6</sup> While some companies have a clearer set of CSR initiatives to meet these goals than others, as noted earlier, our aim was not to test the validity of their initiatives but to understand the kind of discourses used to frame how Japanese game companies promote responsible gaming to combat values and beliefs that games are

<sup>6</sup> As mentioned by Konami’s President’s in his message.



unhealthy. We found that Japanese game companies continue to strive to meet the goals set by the UN's SDGs in the following ways: 1) Initiatives for protecting the environment; 2) initiatives for ensuring ethical supply chains; 3) initiatives for promoting work-life balance; 4) initiatives for community building at the local, national and international levels.

What is new is how companies respond to the WHO recognition of gaming disorders. Considering that some companies preface their CSR reports with the WHO recognition of gaming disorders, they are aware that they need to address the issue and reconcile it with a rhetoric of smiles and fun. Japanese game companies are taking various measures to show people that game companies and games can have a positive impact on individuals and communities, but what is missing is a coherent ethical response to the challenge of gaming disorders. We expect to see the issue either fade away or be addressed more explicitly in the future.

What is interesting is what issues are avoided or downplayed. We have mentioned the contrast between the predominantly serious male representations of senior management that stand and initiatives around gender balance. There do not seem to be serious attempts to diversify management. Five other issues that Japanese game companies seem to care less about include 1) Games and disability; 2) Senior citizens and an ageing Japan; 3) Race and LGBTQ representation in games; 4) Human trafficking; and 5) Global inequities and famine. The absences raise questions about whether the game industry has a responsibility to address such issues or if annual reports are the place for ethics? The same could be said about the academy. What can or should research like this paper try to achieve? Our view is that academic publications can contribute to the emergency of a healthy public discourse around the ethics of the game industry, but that we need to be careful about being prescriptive. Public dialogue is more important at this juncture than normative injunctions.

Finally, while this approach of using corporate documents has the advantage of drawing attention to CSR issues as articulated by companies, it has a number of disadvantages that we need to acknowledge in the hope that they can be overcome in future research. First, it focuses exclusively on published corporate discourse and therefore overlooks how ethical issues might be discussed in public, on social media, in the press, or, for that matter, how the

companies act on their rhetoric. Second, as noted above, we have focused on the larger game companies with international reach. Smaller Japan-focused companies also need to be reviewed to see if they present different perspectives on ethics. Thirdly, these reflections do not take into account the games themselves that are developed by the companies reviewed. To what extent is company policy determined by and determining the business opportunities and game genres pursued? How do companies that have multiple interests, including gambling (pachinko), represent themselves? Finally, how do company policies evolve over time and in response to social pressures?

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