Governments Invest in E-Sports Venues to Promote Cultural Participation

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Abstract: *The e-sports industry is an emerging and rapidly developing industry, which plays a great role in promoting the economic development of society, and its development has been valued by many national or regional governments, which have formulated many strategies and policies related to it. For the e-sports industry, e-sports venues are one of the infrastructures for its development. This paper will analyse the policies formulated by some national or regional governments to support the construction of e-sports venues. By analysing the impacts of the policy implementation process on the objects in the society, it will explore the role of the policy in the promotion of cultural participation, to provide some new ideas for the development of the e-sports industry in the future.*

Keywords: *Cultural Participation, E-sports, Media Policy*

1. Introduction

It seems to be a public stereotype that gaming always harms the development of young people, and how to prevent their children from becoming addicted to gaming is one of the educational problems encountered by many parents. However, with more and more gaming events appearing in the public eye and the trend of gradual standardisation and industrialisation, e-sports has become a mainstream recreational activity for the younger generation and the fastest-growing spectator sport in recent years [1]. In 2017, the International Olympic Committee officially announced that it certified e-sports as an official sport; in 2018, the Jakarta Asian Games introduced e-sports as a demonstration sport; and in 2020, it was announced at the 39th plenary session of the Olympic Council of Asia that e-sports had been approved to be included in the competition programme of the Hangzhou Asian Games. The world is recognising the culture of e-sports. E-sports is a fast-emerging industry that attracts a wide range of highly sought-after young participants, spectators, and lucrative sponsorships, and as a digital invention, it has created a new marketplace and a tightly intertwined network of value chains. While e-sports generates considerable revenue, it is different from other sports in that it is profit-driven and commercial in nature[2], and as the economic and cultural value it brings to its development is increasingly valued by governments around the world, attracting more people to participate in it seems to be a direction of endeavour for authorities to promote socio-economic and cultural development.

The development of any industry cannot be separated from its supporting infrastructure. E-sports, like any other sports competition, consists of athletes, referees (organisers) and spectators at the very least, and the sports arena is the material foundation that links these three together. When organised events develop into an industry and athletes become a profession, spectators are key to sustaining any professional sport. When events are profit-driven and commercial, competition venues are built more for spectators, catering for their cognitive, emotional, physical, and social needs, as well as experiences that include game developers, e-sports facilitators, and e-campaigners [3]. In this study, some national or regional policies on direct or indirect government investment in e-sport venues will be presented and used to analyse the role that policies play in promoting cultural participation.

2. Relevant Policy Overview

At present, many governments of countries and regions recognise that the e-sports industry has been developing rapidly in recent years and has great potential, and these governments have used their finances to support the construction of e-sports venues. Hong Kong SAR Government of PRC mentioned in The 2018-19 Budget Speech that the government will allocate HK$100 million to Cyberport to promote the development of the e-sports industry [4], of which HK$50 million will be used for the construction of an

e-sports venue at Cyberport [5]. Hong Kong SAR Government believes that The Cyberport Arcade will be a hub for e-sports and digital entertainment, providing a venue for e-sports competitions, and also a platform for e-sports organisations in terms of technology development and talent cultivation. The Cyberport Arcade will provide a hub for e-sports and digital entertainment, a venue for e-sports competitions, as well as support for the e-sports industry in areas such as technology development and talent nurturing. The Malaysian Government has included this example in its e-Sports Development Strategic Plan 2020-2025 after the completion of the implementation of this plan in Hong Kong. The Malaysian Government sees the construction of an official e-sports event centre as one of the key initiatives and catalysts of the strategic development plan, and a professional, well-located and affordable 500-person-capacity national e-sports arena will reduce costs, time and labour costs, thus enabling more medium-sized tournaments to be organised regularly, and the arena could also be used for regular training of national teams and players [6]. However, building an e-sport arena is only a good start for an industry that is growing at a rapid pace and is a powerhouse in the e-sport industry. South Korea has long had several highly equipped e-sport venues, so they are heading in the direction of expansion in this regard. Korea's Ministry of Culture, Sports and Tourism mentioned in its 2018 core strategy to strengthen the competitiveness of the content industry that it will use e-sport as a tourism resource through the development of e-sport-specific arenas[7], use domestic e-sport tournaments to attract foreign tourists to watch the tournaments and expand e-sport tournament venues that are currently only located in the metropolitan area to other regions (to add three more by 2019 and five more by 2022) to be used for holding e-sport tournaments, and use them as cultural and information facilities for residents, connecting sports venues with surrounding souvenir shops and game broadcasting and distribution centres [8].

Unlike the governments of the three regions mentioned above, the government of Chinese mainland adopts a less direct approach to support, as can be understood from the policies of Shanghai and Guangzhou, they will not directly invest in the construction of e-sport venues but rather encourage other non-government organisations to build new e-sport venues, which will then be professionally rated on size indicators such as area and seating capacity, and after passing the review will give the investor an after passing the assessment, the investor will be given a subsidy of 30% of the investment amount, and the amount of subsidy is subject to a ceiling, but the Government will not become a shareholder of these e-sport venues[9] [10].

3. Stakeholder

3.1. Implementers of building programmes

In the previous section, the policies of four countries or regions are introduced, and they are all related to the construction of buildings, those who contract these construction programmes then become the most direct beneficiaries of these policies. An e-sport arena is a special kind of building, which not only has to have a performance area and an audience area like an ordinary indoor arena but also has to be equipped with highly configured computers (which is the real arena of e-sports) for e-sports players to use, in addition to the facilities that ordinary arenas need to be equipped with, such as lighting and sound facilities; watching the live broadcast of the competition is what connects most of the audience, so advanced information transmission facilities are also not to be ignored. In this process, funds will not only to the construction side but also to the manufacturing and high-tech industries, which will directly benefit from the government's investment.

3.2. Competition Parties

Competitors are not just the individual competitors, but also the agents, gaming clubs, and investors behind the competitors, as any glory achieved by the competitors can bring benefits to them. Newly constructed e-sport venues allow players to have more venues to play and train in, more venues mean more tournaments can be run in the future, and the competing parties have more opportunities to gain experience and achieve success. In the process, the competitions will attract more spectators and social attention, and more and more people may join their teams because of their interests and hobbies. The social topics arising from these competitions will also enhance the economic potential of the whole industry, thus benefiting the competitors.

3.3. Individuals

The construction of e-sport competition venues improves the local infrastructure, which gives anyone

in the community more opportunities to learn about or participate in an emerging cultural activity. The Malaysian government believes that this will not only help provide e-sport enthusiasts with the proper space to socialise and grow but also increase public confidence in e-sports. For e-sports enthusiasts, the new e-sports venues provide them with more venues to fulfil their interests. The e-sport arena is not only used for ordinary e-sport tournaments; as mentioned in the South Korean Ministry of Culture, Sports and Tourism's Self-Assessment Results Report 2022, the e-sport arena was also used to organise an e-sport festival for disabled students, which provided them with sports and cultural experiences. The construction of the venues enriches the material and spiritual life of the public, including disadvantaged groups, and promotes public participation in a more diverse cultural life.

3.4. Game Companies

The peculiarity of e-sports is that the games used in the competition are copyrighted by the game public company, and the rules of the e-sports competition are also formulated by the game company. E-sports are good for gaming companies to conduct e-sports competitions to increase the popularity of the game and spread word of mouth. The completion of more e-sport venues also makes it easier for gaming companies to carry out game-related activities and in the process constantly improve the rules and quality of the games.

3.5. Governments

The government is the policy maker and the leader in the process of policy implementation. From the point of view of the government's duties and functions in society, any social, economic and cultural development can make the government a beneficiary. The power and funds of the government come from the public, and the government's administration is subject to the supervision of the citizens. The implementation of a reasonable policy that is in line with the development trend of society will enable the government to build up a good image in public opinion and consolidate the credibility of the government. In the face of a rising new sports industry, the process of governance is also a process of accumulating experience for the government, which will help the government to grasp the direction of development in the future competition of the world e-sport industry, and develop more possibilities to occupy the top position of the industry in the future.

4. Construction of E-sport Venues Promotes Cultural Development

The construction of e-sport venues promotes the development of the gaming and e-competition industry, allowing more people to recognise and understand gaming culture. At the same time, it also promotes the spirit of sports. E-sports emphasise teamwork and collaboration, with players working closely with their teammates, formulating tactics and dividing up the work to achieve victory, which requires players to have teamwork and communication skills. Like team competitions in traditional sports, e-sports also require players to trust and support each other in the pursuit of victory, which fosters a sense of collective honour and team spirit. Players participating in e-sports need to continuously improve their technical level in a fiercely competitive environment, and this sense of competition stimulates the players' spirit of hard work and motivation to pursue excellence, prompting them to constantly surpass themselves, and constantly pursue progress and breakthroughs. The construction of e-sport venues provides a more material basis for the spread of this spirit of sportsmanship, which is centred on the venues and radiates in the region and even in the world.

As a new type of architecture, e-sport venues are a combination of gaming and architectural art rich in artistic design elements, and they are usually designed as multi-functional venues. The functional versatility of e-sport venues is mentioned in relevant policy documents in both South Korea and Malaysia, where an arena with lighting, sound, production, live streaming, and networking facilities can also be used to readily hire out to third-party organisers to host any suitable events and competitions, and can host artistic events such as concerts, performances, and exhibitions, providing a professional venue for local artists and cultural groups to perform, and logically sustainable in terms of affordability. E-sports is like other sports in that it can break through cultural and linguistic constraints and attract players and spectators from different regions, which allows e-sports venues to serve as a platform for international exchange and promote cultural exchange and artistic diversity. This invariably fosters a social atmosphere for art education and training, cultivates young people's artistic interests and talents, and promotes the development of art education.

The enhancement of national soft power by e-sport venues cannot be ignored as well. As a concrete physical existence, e-sport venues have symbolic significance. It represents the country's emphasis on the development of the e-sports industry and its willingness to provide it with the necessary support and resources, the country's recognition and support of the e-sports industry, and the country's openness to and tolerance of emerging cultures. The Shanghai government has announced that it will develop towards the goal of becoming the "global e-sport capital"; the South Korean government believes that e-sports events are an important means of attracting foreign tourists, and e-sports have attracted widespread attention globally and have become an important window for national image shaping. Government investment in e-sport venues can create tournaments and competition venues with international influence, and demonstrate the country's soft power and cultural charm by organising international e-sport tournaments, all of which indicate that the enhancement of e-sport culture is conducive to the improvement of the country's soft power, and that e-sport venues are the necessary infrastructure.

5. Building E-sport Venues to Promote Economic Cycles

As a classic emerging industry, the e-sport industry relies not only on industrial clusters within cities, but also on the horizontal integration of city networks, and the spillover effect of e-sport industry development can drive the development of a city cluster [11]. Taking South Korea as an example, as the world's top e-sports industry development place, the construction of e-sports venues is not a new thing, South Korea has laid a solid foundation for the e-sports industry, and expanding the scale of the industry and constructing more e-sports venues is the direction of South Korea's current governance. In the process, a series of industries, including the construction industry, can be driven to develop more hubs for the economic cycle. Economic development will certainly improve the employment situation of the society. Based on the previous analysis, it can be concluded that the e-sport industry can drive the development of many industries associated with it, which will not only create many new jobs that are strongly associated with the e-sport industry but will also provide an opportunity to increase the number of jobs in the traditional industries associated with it. The Malaysian government believes that the goal of establishing a national e-sport centre is not only to improve the level of existing players but also to train potential candidates to become future professionals and to expand the population base within the industry.

For a country, in addition to developing its domestic economic cycle, it is even more important to participate in the world's economic cycle. North America, Western Europe, and East Asia are the most mature places in the world for the development of the gaming industry, and at the same time, these places are also more affluent. Global e-sport events are bound to attract a large number of foreign visitors to the host country to spend money. In 2022, South Korea's Busan, Gwangju, and Daejeon e-sports venues hosted close to 6,000,000 domestic and international spectators, opening up more windows of communication between the country and the world. In Myanmar, many young people also have e-sport dreams, but due to poor infrastructure, even electricity supply is not guaranteed in some areas (Mizzima Weekly, 2022). Despite the country's low level of economic development, Myanmar's e-sport teams have also shone at the world's top tournaments on many occasions, which is bound to have a positive impact on boosting Myanmar's participation in the world's economic cycle.

6. Conclusions

By analysing the policies related to the construction of e-sport venues, it can be concluded that the construction of e-sport venues has a positive impact on the promotion of the production, distribution and consumption fostered in the society. On the cultural side, the construction of e-sport venues provides a development platform for the gaming and e-competition industries and promotes the dissemination of e-sports culture and sportsmanship, its multi-functionality makes it a venue for artistic performances and cultural activities, promoting the development of artistic education and training. On the non-cultural front, the development of the e-sport industry has spurred the region's economic development and opened up more channels for communication between the country and the world. Government support for the construction of e-sports venues is just one part of the government's efforts to promote the e-sports industry. Similarly, it is only a small part of the government's efforts to develop society. The construction of e-sport venues not only benefits many industry stakeholders but also allows the public to participate in cultural activities.

In this essay, there are fewer examples of policies referenced, and only a small number of governments' practices can be seen, which is not comprehensive enough for the e-sport industry in the

whole world, and perhaps there are more policies of the same type but with different practices that have not yet been discovered. Countries such as Saudi Arabia and Russia also have relevant policies published by reading some media articles, but due to language barriers that make these countries' policy documents temporarily unavailable on the internet, they have not been included in this essay's discussion.

At present, the pressure of economic downturn affects every country in the world, governments are actively exploring new development directions, e-sport industry may be vigorously developed under such a trend, but also may be in such a background in the neglect and inhibition. Sincerely hope that the e-sport industry can make a greater contribution to the development of society in the future.

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