

VIOLENT VIDEO GAMES *CHILD'S PLAY?*

By Gary Brouse

Director of ICCR's Militarism and Violence in Our Society Program

ICCR is a coalition of institutional investors that leverages over 110 billion dollars in collective assets to affect social change in corporate America. We support the public welfare by working to improve healthcare and environmental preservation. We focus on corporate governance, including executive compensation, pay equity, and board of directors inclusivity. ICCR is also passionate about peace and global harmony. We confront corporations holding military weapons contracts on issues of nuclear proliferation, armament and toxic waste disposal. All of these are very serious and weighty topics. So why in a wartime environment with over 1,000 deaths and 16,000 casualties arising from the war in Iraq are we focusing on violent video games - "child's play"?¹

What ICCR has found is that most of the video games being marketed to our children are rooted in a culture of sex and violence. It is not uncommon for point accumulation and game wins to be linked to numbers of kills. Murders can be graphic. Most "shooter"

games are experience through a first person vantage point, where the game player, the child, is the killer.² These games abound in teaching criminal strategy, hit man skills and exploitive sex, including prostitution. This fits no definition of "child's play."

Wartime is indeed a serious and sad state of affairs for the U.S.; even so, can we in good conscience ignore the fact that the welfare of our children is under attack by violent video and computer games? Our last line of defense is at risk here. If, we cannot protect our children, along with hearth and home, how can we hope to defend the vulnerable abroad, U.S. interests overseas, or address corporate crime?

A Billion Dollar Industry

While still in its infancy, the interactive entertainment industry already boasts earnings of over \$6.9 billion dollars for software alone according to the ESA, and \$5.8 billion in console game sales within the U.S.³ The Interactive Entertainment Merchants Association (IEMA) reports annual sales of \$10 billion, a figure that does not include profits from game hardware sales, game development or game licensing.⁴ *New York Times Magazine* argues that the industry "is every bit as central to the pop-entertainment universe as movies and music..."⁵ Even single game sales can be astonishing. Arnold Diaz of CBS News has reported that *Grand Theft Auto: Vice City* earned \$260 million in its first year of release.⁶ Some analysts speculate profits for video game sales exceed \$30 billion annually.⁷

The interactive entertainment industry is actually a conglomerate of four separate industries that work in conjunction to produce mer-



ICCR Member Frank Rauscher of the Catholic Foundation with Maria Sylla, Director of Government Relations and Counsel for the Interactive Entertainment Merchants Association, during a meeting on video games at ICCR last September.

chandise and systems for video and computer game play: the retail industry (retail stores that sell gaming merchandise to the public), the interactive entertainment equipment producers industry (manufacturers of gaming systems), the game development industry (software designers and systems integrators), and the game licensing industry (the coordinators and licensors for game development, production and marketing). While determining the total billion-dollar worth of this conglomerate is difficult, few doubt its power and influence in the world of child's play.

Violence in Games

Recent school shootings have prompted politicians and the general public to focus on the prevalence of violence in video games and other media. Several game titles stand out for their graphic violence.

Perhaps the most notorious, *Grand Theft Auto III*, rewards players for stealing cars, assaulting police officers, and beating sex workers. *Carmageddon* requires players to run down pedestrians, including elderly women with walkers, and completing all levels of the game requires the killing of 33,000 people. *Ethnic Cleansing* begins when the player, a hooded klansman or Neo-Nazi, emerges from a ghetto crack house, shooting into a crowd of brown-skinned opponents. *Under Ash* follows a young Palestinian Ahmad as he shoots Israeli settlers. Michael Zzyda, a designer of *America's Army: Operations* reports that roughly 1.3 million players have logged 7 million hours of online play for his game, which army recruiters report has been very effective in attracting new recruits.⁸

Video Game Violence is International

The perpetrators of the 1999 shooting at Columbine high school, Eric Harris and Dylan Klebold, were regular players of the video

game *Doom*.⁹ The Simon Wiesenthal center, which tracks internet hate groups, found in its archives a copy of Harris's website with a version of *Doom* that he had customized. For a class project, Harris and Klebold also made a video similar to their customized version of *Doom*. Just one year later they shot their classmates. As an investigator with the Wiesenthal Center said, "Harris and Klebold were playing out their game in God Mode."¹⁰ The seventeen-year-old DC area sniper, Lee Malvo, had been similarly trained to kill by playing sniper-style shooting games.¹¹

Acts of violence linked to video game play have been reported around the world. Even youth violence in Japan has been linked to video games. An eleven-year-old Japanese fan of the game *Battle Royal* slit a classmate's throat with a box cutter.¹² Similarly motivated, a fourteen-year-old cut off the head of an eleven-year-old.¹³ "Japanese school yards are descending...into battlefields" reports the *Washington Post Foreign Service*, "...because many youths have retreated into the virtual world of the internet"¹⁴ where they play such games as *Gunslinger Girl*, a tale about murderous cyborg schoolgirls in plaid miniskirts.

The American Academy of Pediatrics, the American Medical Association, the American Academy of Child and Adolescent Psychiatry and the American Psychological Association have issued a joint statement on the impact of entertainment violence on children; these organizations concur that "exposure to violence in media...[and] video games...contribute[s] to aggressive behavior, desensitization to violence, nightmares and fear[s] of being harmed."¹⁵

Concerned by such links to violence, Cathy Rowan of Trinity Health, Co-Chair of ICCR's Militarism and Violence in Our Society Working Group, has stated that "As institutional investors committed to corporate responsibili-

ty, we are concerned about the impact that violent media have on children, and the access that children have to adult-rated products such as video games, DVDs and music. Research has shown that exposure to media portrayals of violence increases aggressive behavior in children.”

Institutional Investors Respond

During ICCR's 2003-2004 shareholder's advocacy season we compiled research on the industry. Our members and staff contacted and surveyed the largest retailers of video games, video game producers and licensors of video games. After contacting dozens of companies a distinctive pattern emerged. Game producers believed game retailers are responsible for regulating game-age appropriateness. Game retailers believed game raters and game designers have the power and controls to oversee game sales. All interactive entertainment corporations expressed the belief that parents should bear the responsibility for protecting children playing video games. Game licensors admitted no culpability in policing game sales.

In short, we found a classic pass-the-buck mentality among those we surveyed. While those in the interactive entertainment conceded that violence and sexual content appears in most video and computer games, they believe that ultimate responsibility for monitoring video and computer game play by children rests with parents.¹⁶

We shared much of this research when

several of our members testified in March before the New York City Council Committee on Consumer Affairs Public Hearing on Violent Video Games.

ICCR continues to research whether “companies have policies to prohibit minors from purchasing these products, and what they are doing to ensure their employees understand and enforce them.” ICCR believes “retailers, as good corporate citizens, have an interest in promoting healthy communities and therefore must assume greater responsibility in ensuring that violent entertainment is not accessible to children and youth,” says ICCR member Claire Regan of the Sisters of Charity of New York.

The failure of the interactive entertainment industry to accept any level of corporate social responsibility will eventually bring about a major economic catastrophe for all four industries involved. Litigation from corporate mismanagement is an issue plaguing institutional investors. The industry cannot feign innocence, especially when companies like Acclaim offer to “pay relatives of the recently bereaved for placing small billboards on headstones” to market games like *Shadowman 2*.¹⁷

Litigation and Legislation

It requires little foresight to see the potential for litigation for corporate culpability given the content of many video games. In June of 2003, two boys decided to randomly shoot at tractor-trailer rigs on Interstate 40 in Tennessee, just like in the video game *Grand*

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CORPORATIONS SELLING VIOLENT VIDEO GAMES

Best Buy Company

Bradbury Anderson,
Vice Chair and CEO
7601 Penn Ave. South
Richfield, MN 55423
612-291-1000, 612-292-4001 (fax)
www.bestbuy.com

Circuit City Stores

W. Alan McCollough, CEO
8850 Mayland Drive
Richmond, VA 23233-1464
804-527-4000, 804-527-4154 (fax)

Hollywood Entertainment

Mark Wattle, CEO
9275 SW Peyton Ln.
Wilsonville, OR 97070
503-570-1600, 503-570-1680 (fax)
www.hollywoodvideo.com

Target Corporation

Tim Baer, Vice President
1000 Nicollet Mall
Minneapolis, MN 55403
612-304-6073
investorrelations@target.com

Trans World Entertainment Corporation (Camelot Music and Coconuts)

Robert J. Higgins, CEO
38 Corporate Circle
Albany, NY 12203
518-452-1242,
518-862-9519 (fax)
www.twec.com

Toys "R" Us, Inc.

John Eyler, CEO
1 Geoffrey Way
Wayne, NJ 07470-2030
973-617-3500,
973-617-4006 (fax)
www4.toysrus.com

Wal-Mart Stores

H. Lee Scott, Jr., CEO
702 S.W. Eighth Street
Bentonville, AR 72716
501-273-4053 (fax)

Theft Auto 3, killing one person and severely injuring a second. The family of the deceased filed a \$246 million lawsuit against the video game's publisher Rockstar Games, Inc., and its parent company Take-Two Interactive Software.¹⁸ A seventeen-year-old Leicester, England youth Warren LeBlanc confessed to being inspired by another Rockstar game, *Manhunt*, to stab to death fourteen-year-old Stefan Pakeerah. New Zealand has since banned *Manhunt* due to its graphic violence.¹⁹

A \$100 million lawsuit was also filed in Paducah, Kentucky, because a high school student obsessed with violent video games opened fire on his classmates. Eight of his nine shots were hits "beyond the military standard for expert marksmanship." The filing attorney, Mike Breen, contends the computer

game had turned the boy into an expert marksman. "This is a tort case," said Attorney Breen. "There is a real question about public speech to juveniles; how is it that Joe Camel got the tobacco companies in trouble? In this case it is clear that the point-and-shoot games are marketed and targeted to a juvenile audience. We are saying that these games are defective and unreasonably dangerous products and that the game makers knew this when they targeted their products to juveniles."²⁰

Steps Toward Regulation

New laws and legal issues have naturally upped the ante in the violent video game fray. Washington Governor Gary Locke signed into law a bill banning the sale of certain violent games to anyone under seventeen.²¹ Governor Schwarzenegger in California has signed into law a bill designed to protect children from violent video games.²² According to *Newsday*, attorneys for the Haitian-American community are pressing for nationwide laws to ban Grand Theft Auto: Vice City because the game calls for killing Haitians.²³

Companies in interactive entertainment which fail to accept responsibility for selling violent video games are a problem for investors. Litigation resulting from corporate misbehavior ultimately diminishes shareholder profits.

After more than twenty years with no oversight, public outcry and threats of Federal government regulation in 1993 finally caught up with the interactive entertainment industry. The ESRB rating system resulted from a December 1993 hearing to examine the issue of video game violence. After these hearings the entertainment software industry was given a year to devise a rating system to forestall the advancement of proposed federal regulation.

The Video Game Ratings System: Clear Flaws

In 1994 the Entertainment Software Ratings Board (ESRB) a non-profit organization, and the Interactive Digital Software Association (now the ESA) were created. The ESRB rating system consists of two components, a rating symbol (indicates age-appropriateness) and content descriptors (the elements in a game's content). The ESRB rating symbol appears on the front of a product.

The ESRB rating system covers the following content descriptors: alcohol, blood and gore, mature and crude humor, drugs, gambling, nudity with strong sexual violence and mature sexual themes, profanity and strong lyrics, tobacco, violence and intense violence.

However, the ESRB ratings system has not managed to curtail sales of mature-rated violent video games to minors.

A Federal Trade Commission survey found that 81 percent of minors were able to purchase R-rated DVDs. The ESRB has similarly failed to rate, enforce and protect the public from Rockstar's game Grand Theft Auto; the ESRB rating system has no content descriptors for, and thus no protection against video games with racial or gender stereotypes.

Pressing for Accountability

In March of this year ICCR representatives met with ESRB Executive Director Patricia Vance, and in September with the Interactive Entertainment Merchant's Association's (IEMA) Director of Government Relations and Counsel, Marie Sylla. These meetings were held to build communication and understanding of the video game industry and address investor concerns about the impact of violent video games.

At the same time ICCR members have been in dialogue with corporate retailers about video games and their policies and practices. These meetings have led to the development of several resources that can be used to address the issue of accountability.

Just this year the ESRB assured ICCR members that they would address their concerns over minors' access to violent video games. Yet in October 2004 during a federal hearing in Washington D.C. on violence in video games, representatives of the interactive entertainment suggested they had exhausted every means within their limits to address the issue.²⁴

This means the industry's ratings system has not been effective, and that violent games will continue to roll out into the marketplace, perpetuating a culture of mayhem and violence against children. Further, it suggests that the future for industry self-regulation is bleak.

VIDEO GAME DEVELOPERS

Activision

Robert A. Kotick, CEO
3100 Ocean Park Boulevard,
Santa Monica, CA 90405
310-255-2000

Electronic Arts Inc

Lawrence F. Probst III
209 Redwood Shores Pkwy.
Redwood City, CA 94065
650-628-1500, 650-628-1415 (fax)
www.ea.com

Midway Games Inc.

David F. Zucker, CEO
2704 West Roscoe St.
Chicago, IL 60618
773-961-2222, 773-961-1099 (fax)
www.midway.com

Take-Two Interactive (Parent company of Rockstar Games, Inc.)

Richard W. Roedel, CEO
622 Broadway
New York, NY 10012
646-536-2842, 646-536-2926 (fax)
www.take2games.com

VIDEO GAME ASSOCIATIONS

Interactive Entertainment Merchant's Association (IEMA)

Marie Sylla, Director of
Government Relations and Counsel
64 Danbury Road, Suite 700
Wilton, Connecticut 06897
www.excutivesummit.com

Entertainment Software Association (ESA)

Doug Lowenstein, President
1211 Connecticut Ave., NW #500
Washington, D.C. 20036
esa@theesa.com

Entertainment Software Rating Board (ESRB)

Patricia Vance, Executive Director
317 Madison Avenue, 22nd Floor
New York, NY 10017
212-759-0700, 212-759-2223 (fax)
www.esrb.org/parent.html

Taking Action: Creatively Leveraging Shareholder Power

Religious and other socially responsible investors are concerned by growing evidence which suggests that the industry's voluntary industry guidelines are not even being adequately enforced. A recent Federal Trade Commission (FTC) "mystery shopper" survey found that more than two-thirds (60 percent)

of teenagers were able to buy M-rated (mature) video games, which are not supposed to be sold to anyone under the age of seventeen.

What can socially responsibility shareholders do? ICCR

argues that the best approach is to take the issue directly to the individual companies working in the industry.

Collectively, ICCR's institutional members—religious communities, health care corporations, pension funds, asset management companies, universities, unions and more—are shareholders who invest in corporations for the long haul. We invest on a principle of long-term development and growth. We have learned that short-term spikes in profits are always followed by a reckoning marked by steep drops in share value. We have watched corporate managers ride the crest of the wave of easy profits at the public's and shareholders' expense while filling their personal pockets, then move on, like so many opportunistic locusts.

ICCR uses a variety of avenues of shareholder advocacy, including filing shareholder resolutions (to expand an issue and educate other stockholders in a given corporation); contacting corporate Boards of Directors, (to inform them of shareholder concerns and

issues); and initiating corporate dialogues, (inviting corporate management to the table to discuss shareholder issues of larger importance than ordinary corporate business).

Recently, our members have also issued request for disclosure letters to Best Buy, Blockbuster, Circuit City, K-Mart, KB Toys, Target, Toys "R" Us, and Wal-Mart. Letters were also sent to three manufacturers of video games and related products: Hasbro, Mattel, and Nintendo of America.

But ICCR members also take action on the personal level as well. Sister Nora Nash is director of corporate social responsibility for the Sisters of St. Francis of Philadelphia. As an educator she uses every opportunity to teach college students of the importance of corporate responsibility, citizenship and advocacy. Sister Nash has written an article on violent video games and student behavior called "Is There A Connection Between Student Behavior and Violent Video Games?" for *Momentum*, the official Journal of the National Catholic Education Association.

Conclusion

So long as corporations in the interactive entertainment industry continue to act without social responsibility in regards to the welfare of children, ICCR's shareholders will continue to prod corporate America toward serving the common good and protecting our "child's play." ■

CONTACT

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TAKE ACTION

If you share ICCR's concern for the impact of video game violence on children, use our sample letter to communicate with corporations in the industry. The sample letter is available on ICCR's website, <http://www.iccr.org/issues/violence/featured.php>.

RESOURCES

INTERNET RESOURCES

Interfaith Center on Corporate Responsibility:

<http://www.iccr.org/issues/violence/featured.php>

- Holiday letters to religious institutions
- Sample letter to retailers
- Sample letter to educational institutions
- Contact list for retailers selling violent video games
- Contact list for video game associations
- Contact list for organizations working on the violent video game issue
- ICCR's testimony before the New York City Council Committee on Consumer Affairs Public Hearing on Violent Video Games

American Academy of Pediatrics:

www.aap.org

Pediatricians dedicated to the well-being of children. Site provides research and articles on video games.

- "The Rating Game: Choosing Your Child's Entertainment"
- "Media Violence Testimony"
- "Medem: Medical Library: Entertainment Rating System - Why It was Developed"
- "Video Game Ratings Not Always Accurate"
- "Raise Parents' Awareness of Risks, Benefits of Cyberspace"
- "Media Exposure Feeding Children's Violent Acts, AAP Policy States"
- "Pediatricians Should Educate Parents, Youths about Media's Effects"

American Psychological Association:

www.apa.org

The Association's website offers articles and recent research on psychological issues concerning violent video games.

- "Violent Video Games - Psychologists Help Protect Children from Harmful Effects"
- "Violent Video Games Can Increase Aggression"
- "Special Topics: Media Violence and Aggression"
- "Psychologists' Research on Video Games is

Focus at Capitol Hill Summit"

- "Violence in the Media - Psychologist Help Protect Children from Harmful Effects"
- "Raising Children to Resist Violence: What You Can Do"
- "Children and Media Policy"
- "Bringing the Anti-Violence Message to Young Black Males"

Children Now:

www.childrennow.org

This child advocacy group focuses on creating a positive media environment, educational resources, and the study of video games.

- "Fair Play? Violence, Gender and Race in Video Games"
- "War Games: The Line Between Reality and Fantasy is Not So Clearly Drawn for Some Games"
- "Consumer Tips for Parents on Buying Video Games for Children"
- "Report Condemns Sex, Violence in Video Games"

Council of the City of New York:

www.council.nyc.ny.us

The Committee on Oversight and Investigations has written a report on the rating system.

- "Parents Beware: Retail Stores Ignore Video Game Ratings"

Federal Trade Commission (FTC):

www.fcc.gov/cgb/complaints.html

FTC Consumer Response Center:

www.ftc.gov/bcp/online/edcams/ratings/images/divider_red2.gif

Both groups provide complaint forms for consumers to report poor products, including video games.

Media Education Foundation:

www.mediaed.org

The Foundation offers articles and films on violence in the video game industry.

- "Game Over: Gender, Race and Violence

in Video Games”

- “Militarism and the Video Games”

Mothers Against Violence in America:

www.mavia.org

MAVIA is a nonprofit organization dedicated to reducing violence by and against children through preventive education and grassroots advocacy.

National Institute on Media and the Family:

www.mediafamily.org

The Institute is a non-partisan organization providing information about media products and video games’ impact on children.

Parent Smart:

www.parentsmart.com

Parent Smart evaluates scores of websites for extensive and useful articles about education. A search engine looks for articles matching the key-word(s) you enter concerning children’s welfare.

Parent Teacher Association:

www.pta.org/programs/sychom.htm#Dealing

The national PTA offers tips for parents on how to deal with media violence.

FOOTNOTES

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