#Reach for the Stars

YTUMUN 2025

GLOBAL ESPORTS STUDY GUIDE

Agenda Item:
Youth Employment and the Future of Work in the AI-Driven Economy

Board Members

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Olympic Acceptance, Architecture and Future of Global Esports Federation:

1. Letter from the Chair Board

Dear Delegates,

On behalf of the Chair Board, we are delighted to welcome you to the Global E-Sports Committee.

E-sports has rapidly evolved into a global industry that intersects with technology, economics, youth culture, and international governance. In this committee, you will have the opportunity to examine key challenges and opportunities facing the global e-sports ecosystem through diplomacy, negotiation, and policy-oriented debate.

We encourage all delegates to engage actively, think critically, and collaborate in the pursuit of innovative and realistic solutions. We are confident that this committee will offer insightful discussions and a rewarding experience for everyone involved.

We look forward to a productive and memorable session.

Kind regards,

The Chair Board

Global E-Sports Committee

2. Introduction to the Committee

The Global Esports Committee operates within the framework of the Global Esports Federation (GEF), an international non-governmental organization dedicated to advancing the credibility, legitimacy, and prestige of competitive gaming around the world. Founded to unite the global esports community, the Federation brings together athletes, players, industry partners, developers, and federations onto one inclusive platform focused on positive development and collaboration.

At its core, the Global Esports Committee aims to foster thoughtful dialogue and policy-oriented debate on the major issues shaping the global esports ecosystem. This includes exploring the role of technology in gaming, promoting responsible and healthy gaming environments, supporting holistic wellness and career pathways for players, and ensuring fair play and inclusive participation for all stakeholders.

Aligned with the Federation's values, the committee encourages innovation and the responsible use of emerging technologies, while celebrating the universal appeal of esports across cultures and continents. Delegates will have the opportunity to examine critical topics affecting competitiveness, governance, sustainability, and the future growth of esports as a global movement.

Through debate, negotiation, and cooperative problem-solving, the Global Esports Committee seeks to cultivate forward-thinking solutions that contribute meaningfully to the continued global expansion of esports.

3. Introduction to the Agenda Item

This committee has been gathered to organise the International E-Sports Olympics in collaboration with the International Olympics Committee (IOC). Since the LA28 program has officially ended; the role of the GEF (Global Effort Federation) and following members of this meeting is to play in the process of restructuring the "Olympic Esports Games" as a separate event. After the cancellation of agreement between IOC and Saudi Arabia National Olympics Committee for "Olympic Esports Games" in October 2025, there is an opening for future alliances or organizations. In order to meet IOC requirements for a trustable body for the future

"Olympic Esports Games" you should detailly write an agreement offer to the IOC. For this agreement to pass you need to pay attention to the way the IOC works, and answer the problems that prevent the IOC from allowing E-Sports to be part of the Olympics.

4. History of Gaming

4.1. The Early Digital Frontier (1950s–1970s)

The historical journey of video games commenced not in the commercial market, but within the sterile and high-security corridors of mid-twentieth-century academic and military research facilities. The conceptual foundation for interactive digital play was established as early as 1947, when inventors Thomas T. Goldsmith and Estle Ray Mann filed a patent for a device described as an interactive game played on a cathode-ray tube. Although this early vision remained largely forgotten and had minimal impact on the burgeoning industry, the actual birth of complete video games occurred in the 1960s with the development of mainframe software. One of the most significant milestones was the 1962 creation of Spacewar! at the Massachusetts Institute of Technology (MIT) by Steve Russell, Martin Graetz, and Wayne Witaenem. This game allowed for the first real-time strategic interaction between humans in a digital medium, essentially serving as the academic ancestor to modern competitive play. During this era, communities of programmers and players formed around these massive laboratory computers, though access was strictly limited to university faculty and students. As the decade closed, the focus shifted toward networking these machines, leading to the creation of Maze War and Spasim in 1974, which were among the first games to network players together from different physical locations, establishing the fundamental architecture for future online gaming.

4.2. The Arcade Era and the First Competitive Sparks

The 1970s marked the critical transition of video games from university novelties into a formidable cultural and commercial force. This era began with the introduction of the first home video game console, the Magnavox Odyssey, in 1972, developed by inventor Ralph H. Baer. While the Odyssey introduced home gaming to a global audience, selling approximately 350,000 units, the industry found its true competitive heartbeat in the arcades. Following the moderate

success of early coin-operated games like Computer Space (1971), Atari's PONG (1972) became the first massive hit, eventually becoming so synonymous with the medium that it defined the industry's public image for a decade. The 1978 release of Space Invaders accelerated this growth to an unprecedented degree; the game's popularity in Japan was so immense that it reportedly necessitated the minting of more 100-yen coins to combat a national shortage. This cultural saturation led directly to the first major instance of organized competition. In 1980, the Space Invaders Championship attracted over 10,000 participants, effectively proving that video games could function as a viable spectator event and laying the groundwork for the modern concept of e-sports. During these peak years, classics like Pac-Man (1980), Defender (1981), and Q*bert (1982) solidified the arcade as the primary social arena for competitive gaming.

4.3. The 1983 Crash and the Nintendo Restoration

The rapid and often unregulated expansion of the early 1980s eventually culminated in a severe industry-wide collapse. Known as the Great Video Game Industry Crash of 1983, this crisis was driven by a market oversaturated with low-quality, derivative software and cheap hardware imitations. Arcade profits fell sharply in late 1982, and by 1983, over 2,000 arcades had closed their doors permanently. Industry-wide profits plummeted by approximately 35% in a single year, dropping from peak levels to only $2.9 billion. Major corporations faced devastating losses, with Atari losing over half a billion dollars in 1983 alone, while once-dominant players like Mattel exited the market entirely. The recovery of the industry was led by a foreign import: the Nintendo Entertainment System (NES), which was released in North America in 1985 after a successful debut in Japan as the Famicom. Nintendo restored consumer confidence through a massive library of high-quality games and strict licensing standards for developers. This period also witnessed significant technological advancements that shifted gaming away from simple high-score chasing toward deeper, more complex simulations, aided by new storage media such as 3.5-inch diskettes and the 1985 introduction of the CD-ROM.

4.4. The PC Revolution and LAN Culture (1990s)

The 1990s witnessed a fundamental shift in gaming architecture as personal computers became powerful enough to challenge dedicated arcade and console systems. This decade was

defined by the transition from 2D to 3D graphics, which revolutionized genres such as racing, fighting, and shooting games. On the networking front, Neverwinter Nights (1991), hosted on AOL, became the first graphical massively multiplayer online role-playing game (MMORPG), allowing up to 50 players to interact in a shared Dungeons & Dragons-inspired world. Meanwhile, first-person shooters like Doom (1993) popularized local area network (LAN) multiplayer, fostering a "LAN culture" where players gathered physically to compete in digital arenas. This evolved further with Quake (1996), which introduced the use of dedicated servers for wide-area networks, allowing for smoother play across larger distances. As persistent worlds became more viable, titles like Meridian 59 (1996) and Ultima Online (1997) pioneered flat-rate subscription models and player-driven economies. These developments transformed the digital experience into a social and professional endeavor, with the first player clans and guilds forming the organizational structures that would eventually become professional e-sports teams.

4.5. The Dawn of the Internet and Modern E-sports

With the arrival of the twenty-first century, online gaming transitioned from a niche hobby into a multibillion-dollar pillar of global entertainment. Subscription-based hits like EverQuest (1999) set early standards for immersion, but it was World of Warcraft (2004) that revolutionized the genre, capturing over 50% of the subscription market and generating an estimated $1 billion annually. The massive scale of these player bases birthed significant secondary economies, where virtual items and wealth were traded for real currency, a market valued at over $1 billion by 2006. Simultaneously, console integration became seamless through services like Xbox Live (2002), which enabled millions of players to compete in titles like *Halo 2*. The mid-to-late 2000s also saw the emergence of the MOBA (Multiplayer Online Battle Arena) genre, with League of Legends (2009) becoming a catalyst for modern e-sports professionalization. By the late 2010s, viewership for major tournaments began to rival traditional sports, with the 2018 League of Legends World Championship drawing 100 million viewers. Professional e-sports revenue continued to surge, reaching $1.85 billion as of 2023, providing the economic and cultural momentum that eventually led to the International Olympic Committee’s decision to integrate e-sports into the official Olympic movement for 2025

5. Olympic Movement The Constitutional Framework: Authority, Governance, and Institutional Hierarchy

The first part of the guide focuses on IOC specially Initial sports programme. We gave importance on geopolitical and institutional changes from the perspective of being part of the Los Angeles 2028 Olympic Games (LA28).Based on the Olympic Charter Rules (especially Rules 25, 45, and 46), the Organizing Committee Proposal (OCOG) mechanism introduced by the IOC's "Olympic Agenda 2020+5" reforms has relaxed traditional acceptance processes. However, the requirements of "universality," "physical activity," and "sole governing body" remain the biggest obstacles to the committee.

The inclusion of a sports branch into the Olympic Games can not be based on popularity or commercial success; it is a matter of constitutional procedure defined by the **Olympic Charter**. Its product of long years of cumulative work and regulation.

5.1. The Role of the International Olympic Committee (IOC); Rules 1-2

According to **Rule 1** of the Olympic Charter, the ultimate authority of the Olympic Movement is the **IOC**. The IOC is a non-profit, international non-governmental organization which is recognized by the Swiss Federal Council. However, the IOC's role is not to be limited with organizing the Games. As stated in **Rule 2**, IOC’s mission is to "promote Olympism worldwide" and "lead the Olympic Movement".

Rule 2.11: *"to stand against the political or commercial exploitation of sport and athletes."*

The esports ecosystem's structure, largely based on the intellectual property rights (IP) and commercial interests of private game publishers, creates a structural contradiction with the IOC's principle of "protection against commercial exploitation." The IOC requires that the governance of a sport be in the hands of a “democratic” and “autonomous” civil society organization (federation), not a commercial company (publisher).

5.2. Decision-Making Bodies: Balance Between the IOC Session and Executive

Board

In the sports admissions process, authority is shared between two main bodies:

- **IOC Session:** It is the general assembly of IOC members.

  According to **Rule 17** and **18**, Session has the power to amend the Olympic Charter, select the host city, and **Deciding which sports to include in the Olympic Program** among other decisions**.** The authority belongs exclusively to the Session.

- **IOC Executive Board (EB):** This board, composed of the Chair and elected members, is responsible for operational management. In accordance with **Rule 19**, they are in charge of preparations of all proposals to be submitted to the Session. In the sports program **"disciplines" and "events".** The decision-making authority rests with the Executive Board. Which means, if "a sports branch" is recognized as an olympic sport by the Session, EB decides which sports can be played in the olympics.

5.3. Olympic Programme Commission

The **Olympic Programme Commission** is the dedicated IOC commission that conducts the evaluation and makes a recommendation to the **IOC EB**.

The commission analyzes the candidate sports based on 35 criteria and submits a report to the EB. This commission is the authority that must ensure the Body organization's financial and technical files are sufficent. The commission's task is to keep costs and complexity under control while increasing the popularity of the games.

6. Olympic Admission Architecture: Rule 45 and Programme Entry Routes

For an organization to be represented in the Olympics, it needs to fit in the "Program" structure and entry points defined in **Rule 45** of the Olympic Charter. The "**Olympic Agenda 2020**," adopted in 2014, and the subsequent "2020+5" reforms have fundamentally altered this architecture.

6.1. Rule 45: The Binary Structure of a Program

Rule 45 divides the Olympic program into two main categories:

1. **The Sports Programme:** These are the sports that form the basis of the Olympic Games. Their acceptance or removal from the programme is solely within the authority of the IOC Session. For a sport to be included in the programme, it must be managed by an **International Federation** (IF) recognized by the IOC (Rule 45.1). (ex. FIFA, IWF, FIBA)
2. **Event Programme:** These are medal competitions under the recognized sports. For example, "Water Sports" is a sport; "Swimming" is a discipline; "Men's 100m Freestyle" is an event. The determination of events is within the authority of the EB.

6.2. New Acceptance Mechanism: OCOG Proposal (Olympic Agenda 2020)

Traditionally, sports were selected for the program by a central decision of the IOC. However, with the "Olympic Agenda 2020" reforms, host cities (OCOG - Organising Committee of the Olympic Games) have been given significant authority.

- **Mechanism:** OCOG reserves the right to propose one or more "additional sports" specific to its edition. These sports are not permanent; they are valid only for that year's games.
    - **Tokyo 2020 Example:**Tokyo has exercised this right and managed to get Karate, Surfing, Skateboarding, Sport Climbing, and Baseball/Softball added to the program.
    - **Paris 2024 Example:**In line with its vision of youth and urban sports, Paris has added Breakdancing (Breaking) while removing Karate and Baseball.
    - **LA28 Status:**The critical point for GEF is this: the LA28 Organizing Committee has the right to make this proposal.**October 2023**LA28 has used and completed the process. LA28 proposed Baseball/Softball, Cricket (T20), Flag Football, Lacrosse (Sixes), and Squash; the IOC Session approved this package.

6.3. "Virtual Sports" and Compliance with Rule 45

Interpretations of **Rule 45** and recent IOC strategies tend to view "**Virtual Sports**" as an

extension of physical sports. However, a critical distinction exists: while the IOC supports "**virtual sports**" (simulations requiring physical exertion), it has not yet fully incorporated "**video games**" (gaming) into the definition of "sport" under Rule 45.

7. Evaluation Criteria: 35-Item Analysis and LA28 Vision

For a sport to be accepted into the Olympics, whether through the OCOG proposal or the core program, it must pass a rigorous 35-item assessment set.

7.1. Five Key Categories and Esports Analysis

The assessment criteria are grouped under five main headings, and for the GEF, each presents separate risks/opportunities.[8]:

A. The Olympic Proposal

- **Criteria:**Competition format, number of athletes, venue requirements, logistics.

B. Value Added to the Olympic Movement

- **Criteria:**Youth interest, heritage, Olympic values.

C. Institutional Matters

- **Criteria:**International Federation (IF) status, WADA compliance, CAS authority, match-fixing/manipulation prevention.

D. Popularity

- **Criteria:**Ticket sales, global TV audience, social media engagement.

E. Business Model

- **Criteria:**Organizational cost, revenue potential.

7.2. LA28-Specific Criteria and Selection Logic

In addition to general criteria, the LA28 Organizing Committee has established its own specific priorities:

- **Reducing Cost and Complexity:**Utilizing existing stadiums.

- **American Sports Culture:**Sports that will appeal to the American public.
- **Participation of Top Athletes:**Professional leagues (NFL, MLB) agree to take a break during the Olympics.

LA28 chose Flag Football and Baseball because these sports have enormous economic power in the US market and don't require facilities.

8. Universality Criterion: "Widespread Application" and Statistical Barriers

The Olympic Charter and Bye-law regulations set concrete numerical thresholds for a sport to be considered "universal." It's not enough for the GEF to claim that esports is "global"; it needs to prove it with metrics accepted by the IOC.

The 75/40 Rule: Geographic Distribution: Historically and under current practice **(Bye-law to Rule 45),** a Summer Olympic sport is expected to meet the following minimum prevalence requirements in order to be included in the program:

Category	Minimum Number of Countries	Minimum Number of Continents
Men	**75 Countries**	**4 Continents**
Women	**40 Countries**	**3 Continents**

4.2. Definition of "Widely Practiced"

For the IOC, "widespread practice" doesn't simply mean that the game is played in that country. It requires the following:

1. **National Federation (NF):**The existence of an official, state-recognized, or Olympic committee-authorized federation that governs the sport in that country.
2. **Regular Championship:**Organizing regular leagues or championships at the national level.

3. **IF Membership:**These national federations must become formal members of the applying International Federation.

9. Recognition of International Federations (IF): Rule 25 and the Legitimacy Issue

9.1. Rule 25: Recognition Requirements

According to Rule 25 of the Olympic Charter, the IOC may recognize international non-governmental organizations (NGOs) that govern a sport. However, the following conditions are strictly required:

- **WADA Compatible :**The federation fully implements the anti-doping rules (WADA Code).
- **Manipulation Code:** Rule 43, the implementation of the Code on Prevention of Manipulation of Competitions (OM Code).
- **CAS Authority:** Recognition of the jurisdiction of the Court of Arbitration for Sport.
- **Autonomy:** A management structure independent of political and commercial influences

9.2. The "Single Authority" Principle

The IOC only allows for one sport. One It recognizes the global authority (Sole Governing Body). In the current situation:

The IOC does not accept this dual authority. In the past, the IOC has written to other Olympic federations (e.g., FIFA, UCI) warning them against making exclusive agreements with the GEF or IESF, because a single authority for esports has not yet been clearly defined. For GEF to be recognized, it must either absorb IESF or rise to the position of "undisputed leader" in the eyes of the IOC. Otherwise, recognition under Rule 25 is not possible.

10. Esports and the IOC: The Distinction Between Virtual Sports and an Analysis of the Saudi Arabia Crisis

The IOC's approach to esports has evolved dramatically over the last five years, but this evolution is built upon a sharp philosophical distinction between "Virtual Sports" and "Gaming."

10.1. Virtual Sports vs. Video Games

The IOC's "Olympic Agenda 2020+5" strategy and subsequent implementations have clarified this distinction:

- **Virtual Sports:**The performance of a physical sport in a digital environment, requiring physical exertion. Examples: cycling with Zwift (pedaling power moves the avatar), virtual rowing, virtual taekwondo. The IOC recognizes this field as "Olympic" and supports it with the "Olympic Virtual Series". Ownership of these sports belongs to the respective traditional IFs (UCI, World Rowing, etc.).
- **Video Games (Esports/Gaming):** Competitive games played with a keyboard, mouse, or controller (League of Legends, Dota 2, Street Fighter). The IOC defines this area as the "Gaming" community and distances itself from it due to the lack of physical exertion and violent content.

10.2. Cancellation of the "Olympic Esports Games" and Saudi Arabia Agreement (October 2025)

Instead of incorporating esports into the main Olympic Games (like LA28), the IOC has decided to organize a separate "Olympic Esports Games." This strategy aims to preserve the traditional structure of the main games while keeping esports under the Olympic brand.

In July 2024, the IOC announced a 12-year partnership with the Saudi Arabian National Olympic Committee, stating that the first Games would be held in 2025. However, **October 2025** As of now, this agreement has been mutually terminated.

Reasons for Cancellation:

- **Governance Dispute:** The Saudi side's failure to adequately represent women in the organizing committee and the inconsistencies with the IOC's human rights/gender equality standards (Olympic Charter Basic Principles).

- **IP Rights:** Game publishers' hesitations about licensing to a Saudi-backed entity and the IOC's desire for control over commercial rights.

11. LA28 Case Study:

The LA28 Organizing Committee submitted its proposal for additional sports in 2023, and the IOC officially approved 5 new sports (Baseball/Softball, Cricket, Flag Football, Lacrosse, Squash). According to Rule 45 Bye-law, the event schedule is finalized 3 years before the games (2025), but the sports are determined 7 years in advance.

12. Understanding the Esports Ecosystem

This part of the guide is focused on E-Sports and International institutions. The history of gaming and the rise of E-Sports is why we are here today. Absence of unity among institutions, global recognition of E-Sports as sports in the world and future of E-Sports is in your hands. Today competitive gaming is not only about money but hopes and dreams, unity without borders, race and religion. Just like the Olympic spirit and how it unites people around sports. This is the exact reason why we need E-Sports Olympics in the first place..

12.1. What is Esports?

With the rise of the video game industry in the late 20th century and multiplayer games, small competitive tournaments were organized in small settings such as internet cafes and similar venues. Passionate gamers would gather and try their hardest to break high-scores for their beloved titles such as Pac-man, Donkey Kong, Street Fighter and others in front of an audience, and with the introduction of multiplayer titles in 1990s players would unite amateur teams and try to best their opponents in games such as Quake and Doom in mostly local tournaments.

This was the case up to the late 2000s, but with the rise of online streaming platforms such as YouTube and Twitch, E-Sports began to rapidly grow into a new professional entertainment medium with a unique identity of its own. The once local tournaments suddenly started to become more organized and united people from across the globe with titles such as Street Fighter, Counter-Strike and DotA in exciting tournaments broadcasted online. The competitive scene for these games led to players establishing gaming groups, teams and clans

who would try to become better and better in the titles they played and joining these tournaments with more organized teams, some of the members from these groups would seek to become professionals and content-creators, with some of the groups eventually becoming salaried esports teams and companies.

The rise of interest in competitive gaming in both player numbers and viewership made esports a viable long term investment for investors with big companies such as Intel sponsoring ESL who has hosted titles such as Counter-Strike, League of Legends, DotA and Starcraft. The rising interest of third-party companies including sponsors, tournament organizers and professional teams also led game developers to consider the “competitiveness” of the games they made rather than their “fun” only, this way the developers sought to utilize the competitive scene of their games in order to drive more profit and player numbers.

12.2 E-Sports in 2025

Today, esports is a massive and rapidly developing ecosystem with it generating around 4.8 billion USD of revenue in 2025 and it is projected for the revenue to grow up to 8 billion USD. Massive stadiums filled with thousands of live audience are used to host professional teams from all over the world compete against each other in exciting matches with millions more watching and rooting for their players from their homes. Many people who play these games try to improve on their gameplay and aspire to one day have a shot at becoming one of the players to hold a trophy.

12.3 Definition of E-Sports

Esports (electronic sports) is competitive video gaming, where people play against each other online and also at spectator events in indoor arenas, usually for a cash prize. Esports is played by both amateurs and professionals and is inclusive. It’s open to all, regardless of gender, physical ability and so on. Esports can be played on PCs, consoles and mobiles. Depending on the game, the format can be 1v1, 2v2, 3v3, 4v4, 5v5, 6v6 and so on, and even single player games such as Tetris. At the top level, leading global teams and players can earn significant sums in wages and prize money each year.

13. The Actors in Esports

13.1 Games and Developers

At the core of esports is obviously the games itself. A wide array of video game genres is played as esports titles, from competitive **MOBA**s (Multiplayer Online Battle Arena) to **FPS** (First Person Shooter) titles to fighting games to even single-player games such as Tetris. Each game has a unique esports scene just like regular sports (football vs basketball, etc.) with vastly different numbers of players, sponsorship and tournaments. Some games gather an esports scene without any expectation from the developers but titles with more popular esports scenes typically have their developers paving the path for competitive play intentionally. Most esports titles have a competitive mode within the game itself where players can climb the ranks among others to become better and better eventually making them ready to embark the path to pro.

Not all esports titles are equally popular around the world with Counter-Strike and other **FPS** titles played less commonly in Asia whereas **MOBA**s such as “League of Legends, Mobile Legends” and other mobile games being far more commonly played in **Asia**. Some titles are also played in distinct regions only such as **Call of Duty** in the **US** and some mobile games being prevalent only around certain Asian countries.

13.2 Parent Company and Developer’s Effect

Different developers approach very differently to their games. For instance **Riot Games,** the developer of League of Legends and Valorant maintain the competitive scenes of their games themselves, they run the main tournament circuits, impose rules and regulations for teams, implement their own franchising rules, conduct investigations regarding cheating and integrity and so on… Valve on the other hand, the developer of the Counter-Strike franchise and DotA 2, allow for a naturally growing esports scene with third party tournament organizers such as **ESL** (Electronic Sports League), **Blast** and **PGL** hosting their own competitive circuits and leagues, with **Valve** only hosting two tournaments a year with the partnership of a tournament organizer, Valve does impose rules and set standards for tournament organizers to follow but their input is generally toward new tournament organizers and professional teams to have presence in

order to avoid a monopoly. The more centralized approach from **Riot Games** and the spread out approach by Valve both has its pros and cons and it clearly underlines that when discussing esports each of their competitive scenes must be evaluated accordingly.

13.3. Tournaments and Organizers

As explained in the previous section, each E-Sports title presents a unique ecosystem. Publisher-run ecosystems such as **League of Legends, Valorant, Overwatch** and **Call of Duty** mostly have leagues organized by the developers themselves with them controlling rules, teams, revenue sharing, broadcast, format. Other publisher-run ecosystems such as **Rocket League**, **Mobile Legends, PUBG Mobile** and other mobile games also have their esports scenes controlled by the developers but they still entertain various tournament organizers from different parts of the world to host their own tournaments. Open ecosystems on the other hand such as the esports scenes of **Counter-Strike, DotA 2,** most fighting games mostly have esports tournaments and leagues being regulated by third-party tournament organizers, while the developers do regulate these esports scenes the open ecosystem has allowed tournament organizers such as **ESL, Blast, PGL, WePlay** and others to grow into established companies.

Open-ecosystem generally run into the problem of the tournament calendar becoming overly saturated with tournaments and leagues to the point where some start to clash with each other on the same dates, this results in tournament organizers to have meetings with each other to create their schedules with each other but obviously each organizer attempts at getting as many spots on the calendar for their tournaments to happen, in particular **Valve** commonly tries to prevent monopolies by **ESL** and **Blast** by providing opportunities to companies such as **PGL** and **StarLadder** to host their own tournaments. The overly saturated calendars makes it difficult for big events to be organized and becomes excruciatingly tiring for professional teams. Publisher-run ecosystems generally don’t run into this issue as the publisher themselves is the only major profit-seeker and this allows for more carefully planned circuits.

13.4. The Teams and Players

There is a huge number of esports teams for different titles from all across the globe, some of these players and teams are semi-professional teams competing in smaller leagues or

smaller esports scenes, whereas others are professionals with massive salaries and buyouts just like regular sports and with coaches, assistants, managers, sports psychologists and etc.

Most professional players begin playing games when still young, their love and dedication for the game drives them to become better and better when eventually they begin to seek becoming actual professionals and to play in the big stages. These players initially start playing for smaller teams and online leagues until their talents are recognized by talent scouts and invited onto professional teams. Most players today are paid good wages but nowhere as near as traditional sports players with some players only being paid a percentage of the award money for smaller tournaments whereas world-star players such as **Lee "Faker" Sang-hyeok** (one of the greatest League of Legends players) is paid probably more than **7 million USD** a year. For many the act of playing video games for a living sounds either comical or very entertaining, but one must consider that these players spend up to 10 hours a day to improve themselves and spend months away from their homes across the world to play in tournaments, showing their dedication to the games they play.

The teams with bigger budgets such as **NAVI, Liquid, Faze, Fnatic, T1** and others field multiple rosters for different games, and sometimes even multiple teams for a single title (women's teams, academy teams, etc.). These organizations also acquire contracts with content creators and streamers from a very wide spectrum with **Team Falcons** signing a deal with the 2nd highest rated chess player **Hikaru Nakamura.**

While very dependent on the esports scene, players and teams have a significant voice in tournament organizers' and game developers' decisions by providing a voice for the general player base of the game and standing up for their own rights by establishing player associations (LCSPA of League of Legends, CSPPA of Counter-Strike for instance). However, this is not the case for all titles and many players, especially those playing in smaller leagues or for some publisher-run ecosystems face unjust conditions.

13.5. Institutions in Global E-Sports

Esports do not have a central governing authority like the **IOC** (International Olympics Commission) and even federations for individual games are extremely rare or insignificant. There

exist organizations such as **IESF** (International Esports Federation), **GEF** (Global Esports Federation) and both national and regional examples such as **EEF** (European Esports Federation) and **AESF** (Asian Esports Federation). However, in reality only **AESF** bears some authority and even that is not very clear by how much. It is mostly the game developers and independent tournament organizers along with franchise teams creating the rules, regulations, the distribution of revenue, etc.

There still are some institutions with relative success such as the **Esports World Cup** and **AESF** hosting esports tournaments for a very wide range of games but still not behaving as a governing authority. Another example would be **ESIC** (Esports Integrity Commission) who investigates cheating, integrity and match-fixing scandals and issue bans for tournaments that are **ESIC** members, yet they are only prevalent in Counter-Strike but they seek to partner with other esports titles.

In order to attain the recognition of the **International Olympics Committee**, the delegates must consider a just and maintainable fashion in which the **Global Esports Federation** would act as a governing authority overseeing standards for rules and regulations, ensuring the fair treatment of players, investigating integrity scandals, etc.

14. Main Debates Regarding Esports

14.1 Publisher Control vs Open-Ecosystems

As highlighted throughout the study guide, the publisher-run ecosystems and open-ecosystems present different advantages and disadvantages. A publisher-run ecosystem allows for a more carefully established tournament calendar, stronger authority on rules and regulations, and more dependable revenue systems for franchise member teams, but they run into the issue of possible stagnation in growth, less fair treatment of players, difficulty for upcoming teams to rise among the scene and puts a central authority as the sole authority. On the other hand, open-ecosystems allows third-party tournament organizers to bring in their own sponsors for the scene and allow grounds for new and upcoming teams to establish their own presence while giving the professional players and teams more say in the ecosystem, but this time they run

into problems caused decentralization which may result in an ununified scene, no clear ruleset and a higher difficulty in monetization for teams.

It would be difficult to imagine under any circumstance to convince a game developer to abandon one system and to adopt one another and the committee should instead focus on maintaining a sufficient enough common ground if publisher control vs open-ecosystem becomes an important debate point.

14.2 Team Sustainability, Financial Losses and Franchising

Perhaps the most significant hurdle in front of esports becoming as popular as traditional sports is the difficulty in sustainability and monetization. Not only professional teams but also tournaments struggle to return profits to investments with many teams and tournaments downsizing after financial losses, keeping away more investors.

This brings franchise leagues into consideration. If a tournament has franchise member it means the tournament signs a deal with the member teams and establish a revenue sharing system, this makes it so that the tournament can keep the teams that bring in the most viewership and an upfront payment from the teams themselves, in return they provide the member team with a guaranteed spot in their tournaments and a share of the revenue from the tournament.

LCS and **VCT** led by **Riot Games** and most mobile games such as **Mobile Legends** are good examples of franchise leagues, and even **ESL** attempted to establish a semi-franchise tournament for **Counter-Strike** but **Valve** stepped in and introduced limitations to avoid monopolization of its esports scene and to allow up and coming teams to have opportunity to shine. Instead Valve offers a share of the revenue for certain in-game items, which brings in profit ranging from **1.7 million** to **4.5 million dolars** for teams.

One source esports organizations have found reliable sponsorship deals is through online betting platforms. Just like any other sports, people bet on esports matches too. Although one significant distinction is that oftentimes the wagering is in some way integrated within the games themselves and the games cater to a wide age group including children.

Games like **Counter-Strike, DotA 2, FIFA games, Overwatch, Call of Duty,** and most mobile games such as those by **NetEase** and **Tencent** have in-game loot-box systems which is essentially Randomized Monetization which is almost equals to gambling according to some authorities. Which is highly available for children. Sportsbooks also may impact the integrity of the E-Sports scenes by alluring players to engage in match-fixing especially in smaller leagues and tournaments.

14.3 Sportswashing

Another increasingly significant controversy surrounding E-Sports is sportswashing, where states or state-aligned entities invest into the ecosystem to improve their global perception and deflect attention from human rights concerns, which is also an apparent issue in traditional sports.

In particular, **Saudi Arabia** has invested heavily into the scene through the **PIF** (Public Investment Fund), **Savvy Games Group**, **Gamers8 Esports Festival**, and the **Esports World Cup** to acquire tournament operators such as **ESL FACEIT Group** at about 1.5 billion USD, establish new teams such as **Team Falcons** and sign players, and host their own international tournaments. While the investments by Saudis provide short term benefits to the esports ecosystems in general many significant individuals in the scene have pointed out that the Saudis are establishing long-term dependency on themselves.

China is another example with a distinct model of state involvement in esports, where influence is exercised less through overt sportswashing and more through state-guided soft power, market regulation, and domestic dominance. **Chinese** technology conglomerates with close ties to the state, most notably **Tencent**, have become central power brokers in global esports through ownership and control of major game publishers and leagues. **Tencent** holds full ownership of **Riot Games**, partial ownership of **Epic Games**, and operates some of the largest esports leagues in the world, including the **LCS** and Honor of Kings' **King Pro League (**KPL), both of which are among the most watched esports competitions globally. China has also hosted large-scale international tournaments such as the League of Legends World Championship (2017, 2020, 2021) and **Dota 2's The International** (2019). While these investments have strengthened

China's domestic esports ecosystem and global competitive success, critics argue that strict government regulation, censorship, and youth gaming restrictions limit player autonomy and shape esports narratives in line with state priorities, raising concerns about competitive openness and freedom of expression rather than reputational laundering alone.

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