Socio-economics of sport. A critical analysis Jean-François Bourg, Jean-Jacques Gouguet

INTRODUCTION

This didactic book for students, researchers, and decision-makers in the field of sport aims to present the main themes that are at the centre of debates concerning the analysis of a phenomenon as complex and omnipresent as sport. First, it is necessary to clearly define what is meant by the term 'sport', which covers radically different content. Secondly, it is necessary to determine which method of analysis is most relevant to the understanding of this differentiated reality. By combining these two issues, it is possible to identify eight major themes that allow us to delimit the field of our socio-economy of sport. Finally, we have selected, without claiming to be exhaustive, 43 specific articles considered to be the most representative to characterise each theme.

1 - Definition of the field of analysis

The first difficulty encountered in drawing the contours of a field of analysis lies in the great diversity of meanings attributed to the term 'sport'. According to the authors, it is a polysemous concept whose content refers to very diverse realities. For some, the field of sport is very narrow and is reduced to regulated competitions organised by official sports institutions. For others, the field of sport is practically unlimited in that it includes any physical activity.

Such heterogeneity of content means that the word sport, in itself, is devoid of meaning. It will therefore always be necessary to specify which sport we are talking about: professional sport, highlevel sport, competitive amateur sport, leisure sport, or sport for health and well-being. Therefore, it is not legitimate to use the same term 'sport' to describe such different realities, which do not follow the same logic and which do not require the same analysis and evaluation tools. For example, the sports business has become an industry like any other that obeys the logic of the market and the search for maximum profit. On the other hand, recreational sport adopts another philosophy in the service of the search for well-being. Amateur practitioners are more concerned with pleasure, aesthetics, conviviality and culture than with victory and performance. Consequently, the socio-economic stakes will be radically different depending on the type of sport concerned:

Professional sport has gradually become globalised, and is the object of considerable financial stakes involving various major stakeholders such as sponsors; broadcasters; social networks; manufacturers of sporting goods and marketing agencies. Sport is becoming an economic activity like any other, even if it is recognised as having a certain number of specificities that allow it, for example, to partially evade anti-trust laws in the United States or competition law in Europe.

Competitive amateur sport is characterised more by its social functions. First, there is the presence of volunteers who make it more possible to guarantee better access to sport when compared to an economic situation in which the market would be allowed to run free. Then there is the production of positive externalities of considerable value to society: education; health; citizenship; social ties; well-being, etc.

Recreational sport presents both economic and social challenges due to the diversity of motivations of practitioners. The practice of mass sport outside official structures today represents a significant turnover, particularly due to the purchase of more or less sophisticated materials and various equipment. In addition, this type of practice also generates multiple positive externalities in terms of individual well-being and good living together.

In order to evaluate the benefits to society of this variety of sporting events and practices, it is necessary to develop instruments adapted to each situation. Beyond the economic dimension, it is particularly important today to improve the consideration of the social dimension of sport, the total value of which goes far beyond its mere market value. The traditional instruments of economic calculation are not very suitable, which is why a socio-economic analysis of sport is necessary.

2 - Choosing a type of analysis

Deep divisions exist in economic analysis, leading to radically different explanations of the phenomenon studied. Traditionally, the history of economic thought distinguishes between four paradigms:

- Marginalism is based on the self-regulated functioning of markets balancing the supply and demand of rational individuals;

- Marxism denounces the exploitation of workers by a system that is nonetheless condemned by the downward trend in the rate of profit;

- Keynesianism, which advocates state intervention to compensate for market failures and to revive the economy through the principle of effective demand;

- Institutionalism puts power and conflict at the heart of economic life.

The economics researcher is condemned to choose one of these paradigms, which constitute obligatory visions of the world, all

based on specific values and ideologies. Moreover, these different economic doctrines are opposed on a fundamental question relating to the conception of science. For the neoclassical economists of the first school, economics is a science in its own right, just like physics. To this end, simplified hypotheses must be posed to allow the construction of rigorous models which are often unrealistic but whose validity also becomes limited by the hypotheses in question. Alternatively, for the proponents of applied economics of the other doctrines, it is necessary to try to theorise complex phenomena without being cut off from reality. These are the neoclassical economists who today constitute the orthodoxy and who always defend scientificity at the cost of irrealism.

The economic analysis of sport has not escaped such divisions. and can be divided into two groups corresponding to the two research traditions: on one side, the economic orthodoxy which favours a formalised microeconomic approach based on methodological individualism and producing hypothetico-deductive models that are the only ones reputed to be scientific; on the other, the economic heterodoxy which claims a more institutionalist and less formalised approach to analysis. It is this second approach that seems to us to be the best adapted to the understanding of the sports phenomenon. Indeed, sport cannot be reduced to competition and spectacle alone. It occupies a much more important place in modern societies, notably because of its numerous social functions. An economic analysis that is too narrow is not capable of properly understanding this dimension. This is why the different chapters of this book contain elements denouncing the inadequacy of orthodox approaches and showing interest in promoting heterodox analyses instead.

3 – The choice of themes

Defining our field of the socio-economics of sport is not easy, as the subject of sport is so diverse and complex. Choices had to be made and we have selected eight major themes:

- sporting institutions
- the financing of professional sport
- the glorious uncertainty of sport
- the professional sports labour market
- the globalisation of sport
- the economic benefits of sport
- the social functions of sport
- the dark side of sport

4 – The modalities for dealing with each theme

To characterise each of the themes, we have selected a certain number of articles considered indispensable, without claiming to be exhaustive in covering the entire field. Rather, we have selected the items that appeared to be the most representative in the debates on each of the eight issues. These particular entries are not hierarchical and are listed in alphabetical order in each chapter. For example, the chapter "The Globalisation of Sport" will be dealt with under the following four specific headings: "Global Public Good", "Macroeconomics of International Sports Success", "Globalisation of Sport" and "Soft Power".

Each of these articles is intended to be a true synthesis of knowledge with a presentation of the issues and theses or controversies that it raises. In short articles and a pedagogical and didactic manner, the essential notions are developed with their meaning, their context and their scope. Each entry is accompanied by a bibliographical reference to deepen and extend knowledge. Correlates are also proposed to illustrate the interdependence of the themes and to extend the reflection. This book is intended to be an original and informative work tool for a better understanding of contemporary sport and its singularities. It is intended for students and researchers as well as professionals in sporting institutions and sports enthusiasts.