

# **The globalisation of sport: the domination of an economic logic?**

## **Characteristics and origins**

The phenomenon of globalisation translates the idea of the total integration of the sporting economy into a vast market that has become a place of mobility for spectacles, athletes, capital, images, sports articles and consumption models, etc. Sporting activity has long had an international dimension, at least since the first modern Olympic Games (1896), the result of a historical and natural creation at the end of the 19th century. The ultimate goal of the sports movement has always been universality. The IOC has 206 member countries and FIFA is made up of 211 affiliated national associations, which is more than the UN, to which 193 states belong. The globalisation of sport has evidently encountered the least obstacles.

The internationalisation of sport can be defined as the preliminary stage of globalisation, with the opening up to the outside world of sports practices and predominantly national events, but with a limited extension to certain regions of the world and certain disciplines (1890-1950). Globalisation characterised the worldwide development of sport during the period from 1950 to 1990. From the 1990s onwards, the conjunction and intensity of two dynamics set in motion the globalisation of the issues at stake. The new information and communication technologies (television, satellite, digital) erased distances and borders in space, time, language and ideology. The market has imposed itself on sport as a reference point and common measurement scale [Bourg and Gouguet, 2012].

The creation of an increasingly integrated system of mass production/consumption of sports events has amplified globalisation. This system includes a virtually unified competition area, sports bodies and companies that manage their activities on a planetary basis with globalising mechanisms based on the market economy and a liberal logic: the conquest of new markets, international search for value creation, access to financial markets, circulation of production factors.

For almost a century, this commercialisation could not emerge because of the domination of a conception of 'Coubertinian' sport based on amateurism and voluntary work. Two decisions deserve to be acknowledged to understand the integration of sport within the market economy. First, the deregulation of the Olympic order, with the removal of two major institutional obstacles (the possibility to pay all athletes from 1981 and to commercially exploit the Olympic symbols from 1986) and the decompartmentalisation of the economic life of sport with the creation of global marketing programmes (from local sales to global sponsorship and broadcasting agreements).

These two decisions have increased the value of the sporting spectacle, increased competition between private operators for rights and aligned the strategies of the sporting movement and companies with a global logic.

However, the globalisation of sport must be put into perspective. This process is indeed asymmetric. The study of the spatial distribution of participants, performances and events reveals an international diffusion both limited and unequal, to the zones whose economic development level allows the construction of venues and the supervision of participation, the extension of leisure time and the disposal of purchasing power allowing a new model of consumption. The North America-European Union-Asia triangle is a major concentration of competition venues, medal winners and financial flows [Bourg and Gouguet, 2007].

### **The effects of globalisation**

Increasingly, what is at stake is the appropriation of the financial resources generated by competitive sport. The monopoly held by sporting institutions (IOC, international federations, professional leagues, clubs) for the exploitation of the sporting spectacle has created a scarcity that has allowed them to boost their turnover and extract increasing profits from these events. In response to the rising number of property rights (radio and TV broadcasting rights, internet, marketing, by-products, naming of events and venues, etc.) there is an increase in the number of economic players and professions in the sports industry, in the broadest sense of the term: marketing, communication, financial investments, career management, sports medicine and sports betting.

The IOC and the international federations are non-governmental, non-profit organisations, with few legal means of constraints on sports organisations and athletes around the world. Moreover, their governance is opaque and not very efficient because of an inversion of goals: commercial objectives take precedence over sporting objectives. If for decades the sporting movement has defended the heritage of the Olympic 'values' defined by Pierre de Coubertin, this official discourse is no longer convincing in the face of chronic profiteering and recurrent scandals.

It appears that the sporting movement must often try to interpret the new rationality driven from the outside by thirty or so firms that are omnipresent in the sports markets (sponsors, broadcasters, sporting goods manufacturers, communication agencies). Thus, sporting institutions are placed under the control of private companies that are only accountable to their shareholders. These same institutions indeed retain the power to symbolically legitimise the achievements of athletes and to officially validate the results of competitions. But

the globalised market now overwhelms sports regulation, which facilitates the multiplication of abuses: illegal betting, corruption, money laundering, and doping [Andreff, 2019].

The bases of new governance must be defined. The international sporting bodies are numerous, not active enough and often contested in their role and objectives. It is, therefore, necessary to review both the bodies and the fields of governance in order to clarify their functions, legitimise their mandates and strengthen their powers. It is not only a question of compensating for the failures of the market and making it efficient but also of protecting the world's public domain in sport and finding an alternative model by changing the paradigm.

Two different, non-antagonistic paths can be explored to contribute to the establishment of true global governance: the creation of a specific supranational organisation (the United Nations Sports Programme, UNSP); the multiplication of independent and specialised regulatory agencies producing standards and incentives on a global scale (ethics, doping, finance, corruption, etc.).

Professional sport is threatened more than ever by a total subordination to a globalised financial logic. All ethical violations result in a distortion of the sporting spirit. To stop such abuses, a new global sporting regulation will have to be set up. The interest is in knowing if this institutional reform will be able to promote sport as a World Public Good, i.e., as an element of the common heritage of humanity!

### **Further information:**

Wladimir ANDREFF, *An Economic Roadmap to the Dark Side of the Sport*, vol I: *Sport Manipulations*; vol II: *Corruption in Sport*; vol III: *Economic Crime in Sport*, Palgrave. Mac Milan, Cham, 2019.

Jean-François BOURG et Jean-Jacques GOUGUET, *Economie du sport*, Re-pères, 3<sup>ème</sup> édition, La Découverte, Paris, 2012.

Jean-François BOURG et Jean-Jacques GOUGUET, *Economie politique du sport. L'éthique à l'épreuve du marché*, Vuibert, Paris, 2007.

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