

CORRUPTION IN FOOTBALL: MECHANISMS, ACTORS AND DRIVERS

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This master's thesis is carried out as a part of the education at the University of Agder and is therefore approved as a part of this education. However, this does not imply that the University answers for the methods that are used or the conclusions that are drawn.

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PREFACE

This master thesis marks the end of our five-year study at the School of Business and Law at the University of Agder. These past five years have been very educational, which we will enhance more in a reflection note that will be included in the appendix.

We would like to express our gratitude to our supervisor, Stein Oluf Kristiansen, for the great help and feedback through all the stages of writing. He has been available and provided us with quick responses and answers to all our questions and ideas, which has been a great help and much appreciated. We would also like to thank Marianne Stranden Macedo and Morten Løland for proofreading and for giving insightful comments in this thesis.

Producing a master thesis is a long process. Some days are more productive than others are. One day you end up with five pages and the other one or two full sentences. As the days go, the pages are slowly developing into a final draft, even though countless times it has felt as if progress is absent.

The final draft does not reflect the countless hours of reading, rewriting and the read-through. However, this is how it should be while working on your master thesis. At the University of Agder, we have learned to keep our eyes open, check for valid and reliable sources, but also to be able to make sure that what is written is relevant for our studies.

Ole Stranden
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ABSTRACT

Corruption has existed since the beginning of time, and the first documented case of corruption related to sport took place 388 years BC. Several previous studies and research conclude that corruption appears in sport, and that it is a major problem. However, there are relatively few studies emphasising the main actors, mechanisms and drivers and that seek to find feasible solutions on how to prevent and decrease corruption in football. This thesis will use a comparative case study analysis of six cases in order to investigate the main actors, mechanisms and drivers. In the theoretical part, a special focus will be set on New Institutional Economics. The focus will be to see if this thinking can be an explanatory factor regarding whom the main actors are and reasons for their corruptive behaviour. The thesis will investigate how officials within FIFA, football clubs in Italy and Turkey and criminal organizations use their influence to corrupt the game. Political interference is prominent and some of the most politicians in the world are involved. It seems as football bodies and organizations with predominance of members from perceived highly corrupt countries are more adaptive to corruptive behaviour. Furthermore, lack of transparency provides fertile ground for corruption. Initiatives that aim to enhance transparency will contribute to prevent the possibilities for corruptive behaviour.

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1. INTRODUCTION

Football is the largest sport in the world, and its highest governing body FIFA emphasises fair play. It is therefore easy to assume that football is always played in an honest and equitable manner for all players, clubs and supporters. However, the presented cases show how high-ranked officials, club leaders and criminal organizations used bribery among other forms, in order to influence sportive decisions and results. These are well-known cases and are highlighted by the media, and theory confirms that corruption has taken place.

Several previous research and studies show how corruption in football is conducted. Researchers such as Carpenter (2012) and Haberfeld & Sheehan (2013) have both given a comprehensive overview of cases where corruption has been proved. The problem is that former research often presents only one case and therefore makes it difficult to generalize how corruption can be applied to all cases concerning corruption. What remain unanswered is therefore whether corruption in football is conducted in the exact same way, and what the consequences are. The focus in this thesis is primarily based on secondary data through former research, articles and websites.

This thesis will use a comparative case study analysis to find the mechanisms, actors and drivers in order to understand why corruption occurs in football, and whether this can be generalized. The focus will be to link it up with New Institutional Economics and transparency in order to find feasible solutions of prevention.

Research questions we seek to answer are:

- 1) Who are the main actors?
- 2) What are the main mechanisms?
- 3) What are the main drivers?
- 4) How can corruption be prevented?

This thesis is divided into the following chapters: Chapter 2 will give a presentation of the relevance and background of the subject and emphasize why it is relevant to investigate the problem of corruption in football. Chapter 3 will present the relevant theory by defining Corruption, Corruption in Sports and New Institutional Economics. It will also contain a subchapter describing the propositions. In Chapter 4, the methodology, research design and

methods of analysis applied are presented. The validity and reliability of the study and sources will also be disclosed. Chapter 5 gives a presentation of the empirical findings, divided into four parts. The first part shows how high-ranked officials abused their positions in order to ensure that respectively Russia and Qatar were allocated the 2018 and 2022 World Cup. The second part shows two cases where high-ranked officials in Italy and Turkey influenced sportive results in their favour. The third part shows how criminal organizations secured betting results. The fourth part will present potential solutions to prevent and decrease corruption in football. Chapter 6 shows the main mechanisms, actors and drivers, and analyses its similarities and differences. It also analyses the potential solutions of how one can prevent and decrease corruption in football. Finally, in chapter 7, some concluding remarks based on the empirics and comparative analysis is presented, in addition to policy implications and suggestions for further research.

2. THE PROBLEM OF CORRUPTION IN FOOTBALL

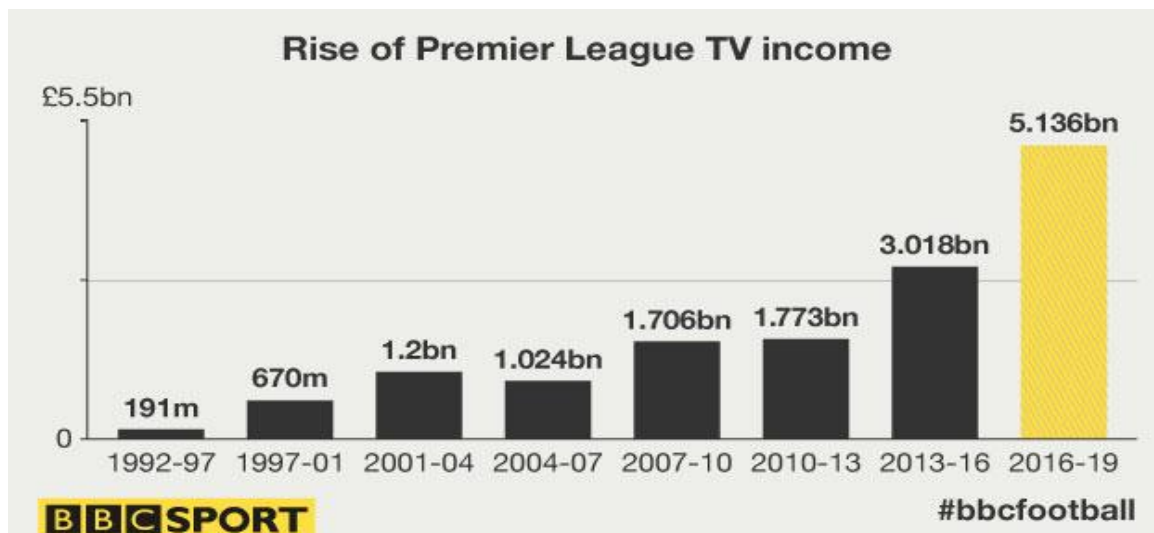
The biggest global sport today is football, which is the dominating sport in Europe, Africa and South America. It is estimated that approximately 600 million people watch the final in the FIFA World Cup, while 300 million watch the UEFA Champions league final. For every World Cup qualification, over 200 nations take part (Biggest Global Sports, 2016).

“According to FIFA, there are 38 million registered professional players and approximately 301,000 clubs. The extraordinary growth of football began in the early 1990s because of increased television rights and sponsorship. The market for professional players has experienced unprecedented internationalization, which has led to more transfers of resources by transcontinental dimensions. This sharp increase in economic and international development makes football more susceptible to organized crime. This danger cannot be ignored by state controls based on social, educational, and cultural good practices.” (Sanctis, 2014, p. 29).

The world of sport has evolved to become a multi-billion dollar business. Several wealthy individuals and big organizations yearly invest money into a variety of sportive events and sports, such as football. In light of this, the opportunistic view of huge monetary profit has come as a result. Transparency International (2014) describe this relation as follows:

“Sport is a multi-billion dollar business. It has intricate ties to political and private interests. This means rich opportunities for corruption. Yet across the sporting sector, most deals and decisions take place behind closed doors. This allows corruption to go unchecked and unpunished”.

In 2015, Sky paid £5,136 billion for Premier League TV rights from 2016-2019. This was an increase of 70 % of what they paid for 2013-2016 and 189 % from 2010-2013 (BBC, 2015). Deloitte (2015) has in their annual review of revenue for the five biggest European Leagues (England, Germany, Spain, Italy and France), seen an increase from €7.2 billion in 2007 to €11.3 billion in 2013/2014.



(BBC, 2015)

The table above shows that the amount of money in football is rapidly increasing. According to Collignon & Sultan (2014), football will be one of the key figures in the overall increase of revenue in sport. In conjunction to this growth, crimes such as corruption, doping and match-fixing in football also increases (Hill, 2015). “Increasingly, professional criminals are operating internationally to exploit football and make money through match-fixing and irregular betting” (Abbott & Sheehan, 2013, p. 263).

In the 2009-2010 season, the top 20 clubs in the world generated around \$6 million. This happened simultaneously as player’s salary and the cost of buying new players have experienced a massive increase. Although revenues have increased, especially the European clubs have experienced a solid increase of debt. (Sanctis, 2014). Because of this, several clubs have conducted dubious actions in order to ensure revenue from winning games, leagues and tournaments.

Marseille was in 1994 relegated to the French second division after match-fixing against Valenciennes during the previous season. Marseille was the biggest, best supported and the most successful club in the history of French football. They were also European champions, and the then most expensive club in France. The case started after a Valenciennes player alleged that he and his teammates were offered envelopes with cash to lose the game. One of the convicted was the general manager of Marseille, who was barred for life (Bidwell, 1993) (Independent, 1994).

In 2004, 22 high-ranked officials in Portuguese football were charged with allegations of match-fixing. Several of the arrested were referees and representatives from the national referee's centres. The allegations concerned influencing referees to cancel goals and penalising their opponents. They were also charged of influencing referees to perform certain actions. The most prominent and well known of those convicted was the then president of Porto, Jorge Nuno Pinto da Costa, which is the biggest club in Portugal (Goncalves & Campbell, 2004).

The arrests came because of ongoing claims concerning match-fixing in the top division in Portugal. Sporting Lisbon claimed, “dirty money is ending up with corrupt referees” and that individuals who make “the system” are controlling the officials” (Goncalves & Campbell, 2004). They claimed that dubious referee decisions in key matches had robbed Sporting Lisbon of nine points and that this was the only reason why Porto was still on the top of the league. Because of the investigation and trial, the president of the Portuguese Professional Football League was charged with 18 offences while Pinto da Sousa was charged with 21 crimes (Goncalves & Campbell, 2004) (Chadwick & Gorse, 2011).

UEFA was in 2012 pressured to investigate claims concerning corruption in Ukraine's preparations for the Euro 2012 held in Ukraine and Poland. The allegations were that high-ranked officials from Ukraine in 2010 purposely dropped competitive tenders during the preparations. Instead, they gave contracts for building stadiums and needed infrastructure to a handful of selected companies. The officials were believed to own these companies, either directly or indirectly. The allegations therefore claimed that a total of \$4 billion of state funds were stolen. “The scheme is simple: the official and his chosen contractor agree to share the budget cash. They cook up an overblown budget, and the contractor pays off a part of it back to the official as soon as he receives a transfer – usually in cash” (Harding & Leigh, 2012).

UEFA also opened legal proceedings against an official from the Cypriot football association. This happened after he alleged that payments of approximately €9.15 million was given to at least four Exco members in order to secure the hosting rights for the Euro 2012 to Ukraine and Poland. UEFA demanded that proofs would be provided in two days, but was never provided. However, this came at an unfortunate time for UEFA because there were already allegations against FIFA regarding the allocation of the 2018 and 2022 World Cup to Russia and Qatar (Harris, 2010) (Masters, 2015).

Poland was far from unfamiliar with corruption in football. In 2012, a match-fixing scandal exploded over Polish football as it was proven how match results were manipulated. The then president of GKS Katowice was one of those who got sick of the widespread corruption and revealed several matches that were fixed. There was also an investigation against 17 clubs in the Polish top division where only seven teams were acquitted. The clubs were originally denoted, but the final punishment only included fines and point deductions (Deutsche Welle, 2012). Chadwick & Gorse (2011) also mention Widzew Lodz, who was relegated to third division after being part of a match-fixing scandal.

Even FIFA, the highest governing body in football is accused of corruption. In December 2015, FIFA president Sepp Blatter and UEFA president Michel Platini were banned for 8 years from all football relating activities. They were banned because of charges for corruption and bribery, primarily due to the allocation of the 2022 World Cup to Qatar (The State Secretariat for Economic Affairs, 2008).

Football is a sport that “in general has the power to teach some of life’s most important lessons about the value of honesty” (Transparency International, 2016). It also symbolizes fair play all around the world, and provides a release from everyday life. The problem with corruption in football is that it can create severe problems for a country if the public loses its faith in football. If they believe what they are seeing is fixed, the public might lose faith that none institution and organizations in general can be trusted.

FIFA yearly distributes money to each Football Associations, as well as the six regional confederations.

“Between 2011 and 2014, FIFA distributed a minimum of US\$2.05 million to each of its 209 member football associations (FAs). This included a one-off payment in 2014 of US\$1.05 million following the success of the World Cup. During that same period FIFA also gave US\$102 million to the six regional football Confederations”
(Transparency International, 2015, p. 4).

The problem is that a bare minimum of information about how this money was spent has been made available for the public eye. This increases the possibility of money being used for

wrong purposes, as less transparency correlates with the propensity for corruption (Jennings, 2011). The same report offered by Transparency International (2015) shows how “most deals and decisions take place behind closed doors”.

- *81 per cent of FAs have no financial records publicly available*
- *21 per cent of FAs have no websites*
- *85 per cent of FAs publish no activity accounts of what they do*

(Transparency International, 2015, p. 4)

The problem of corruption in football is huge, and the list of scandals is long. Maennig (2002) states that even though one cannot see an increase in corruption the last decade, the public awareness and laws have led to pressure against increased transparency in order to prevent corruption.

Football is an easy market to penetrate. It has therefore become an attractive area to conduct financial crimes. It consists of a network of stakeholders, such as players, managers, shareholders, supporters and media, whom all can have different interests. This mixture of stakeholders creates more than a few moving parts who can all hide illegal activity. Because of this and the extraordinary growth of money in football, it is hard to account for all the monetary transactions that are conducted (Sanctis, 2014).

Due to its popularity, the online betting market is worth more than \$700 million and therefore attracts criminals and organised crime (Transparency International, 2016). This means that corruption in football increases the risk of money being laundered through football. The fact that even Interpol has match-fixing on its radar, shows the scale corruption in football has reached after many years and uncountable cases that have been brought to light (Haberfeld & Sheehan, 2013).

Corruption in football has therefore become more relevant and important as a topic, because the world is moving towards increased transparency and globalization. It has existed for decades, but without really knowing the full extent and consequences of it. It has not been until the recent decade that one has understood how foul the corruption is, and how deep it is

implemented. This is especially why the cases that resulted in the ban of the FIFA and UEFA presidents shock the world of football, because it showed that two of footballs leading figures have also been involved.

3. THEORY

In this chapter, a selection of relevant studies and theories are presented. These will be used to do a comparative case study analysis of corruption in football. The chapter presents three different theories: Corruption, New Institutional Economics and Corruption in Sports. The last subchapter will present the propositions.

3.1. CORRUPTION

Corruption is a complex term, and there are several ways to define it. The World Bank (2016) defines corruption as “the abuse of public office for private gain”. The term “private gain” or “private benefit”, as Lambsdorff (2007) defines it, can relate to increase of power or access, as well as receiving money. However, it will not be seen as corruption if there is made promises of future benefits or favours between relatives and friends, even though it is a “private benefit”. The terms favouritism and nepotism, are used with regard to those situations (Lambsdorff, 2007). The abuse of public office refers to when someone with entrusted power are accepting a bribe or extorts a bribe (World Bank, 2016). The State Secretariat for Economic Affairs (2016) has provided another definition:

“Corruption means any abuse of a position of trust in order to gain an undue advantage. This involves the conduct of both sides: that of the person who abuses his position of trust as well as that of the person who seeks to gain an undue advantage by this abuse”.

The World Bank (2011) has developed some definitions of practices constituting fraud and corruption. According to these definitions, there is a case of “fraudulent practice” when an actor is intentionally misled or attempted misled to obtain a monetary or non-monetary benefit. This also applies when an actor is misled to avoid an obligation. One refers to “collusive practice” in situations where two or more actors make an arrangement in order to achieve an improper purpose. This includes improperly influencing the actions of another actor.

A “coercive practice” is harming or impairing, directly or indirectly, another actor to improperly make him influence the actions of his part. Threatening another actor to harm or

impair him will also be defined as a “coercive practice”. An “obstructive practice” is when an actor impedes a bank’s investigation into allegations of corrupt, fraudulent or coercive practice. This is conducted by deliberately destroying, falsifying, altering or concealing evidence material. It also applies when the actor makes false statements to the investigators (World Bank, 2011).

The extent of corruption can vary, and one distinguishes between grand and petty corruption. Grand corruption is associated with public procurements where there are huge payments to higher ranks, such as politicians and bureaucrats. This may be business transaction, and the transactions often take place outside the country. Each year huge amounts of public funds are wasted due to corruption in public procurement. According to Transparency International (2014), EU estimates that around \$163 billion are lost to corruption annually. Petty corruption on the other hand, is associated with service corruption. Here there are frequent small payments to public servant lower in the hierarchy. It is pervasive when individuals and firms seek a license or a service from the government. Officials lower in the hierarchy who are trying to access basic goods or services in police, schools, hospitals and other agencies, further refers to petty corruption as the everyday abuse of entrusted power (Lambsdorff, 2007), (World Bank, 2016)

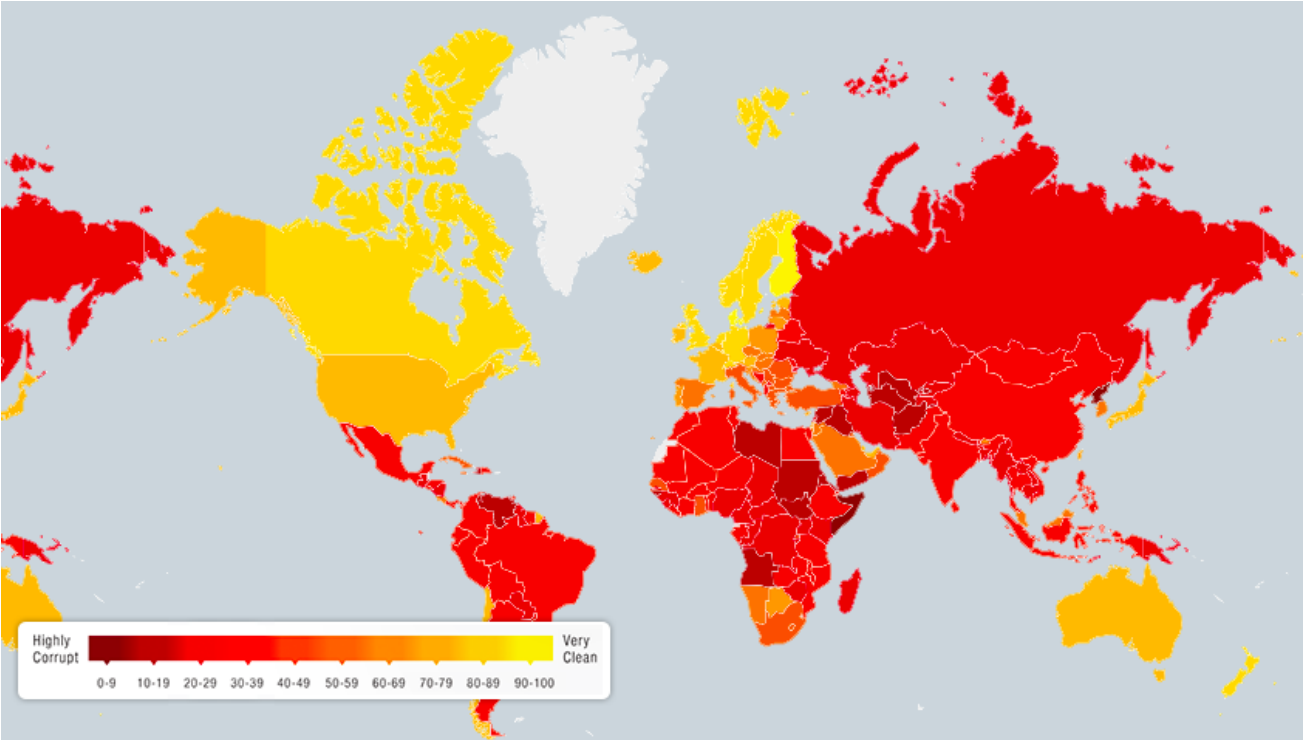
Referring to the definitions, bribery is one of the main tools in corruption. The Legal Information Institute (2016) says, “Bribery refers to the offering, giving, soliciting, or receiving of any item of value as a means of influencing the actions of an individual holding a public or legal duty”. Corruption is an exchange of favours or benefits between two parties and entails an agent and a client. There is a case of bribery if a client makes a payment to an agent and in return obtains advantages that he is not entitled to. A third actor involved is called the principal and he decides and delegates power and resources to the agent. The principal is often high-ranked, an authority, head of a gang or even the state itself (Lambsdorff, 2007).

According to World Bank (2016), bribes can be used to influence government contracts, government benefits and licenses. Firms can influence the government with bribes in order to let them supply goods, services and the term of the contract. They may even bribe to ensure winning a contract. The allocation of government benefits can be influenced by bribes, either

monetary or non-monetary. The exclusive rights to exploitation of a natural resource can be offered in exchange of future favours.

Transparency International (2004) claims that political corruption occurs when someone abuses their position to maintain their power, wealth and status. This can be conducted by manipulating policies, institutions and rules of procedure in the allocation of resources. One usually thinks of elections when political corruption is discussed. People or organizations can “buy” votes by offering money, gifts and donations “under the table”. However, it does not always relate to elections. In countries where the democratic institutions are weak, it is common that political corruption can divert scarce resources from disadvantaged and poor people. The political focus is on private interests, rather than public benefits (Transparency International, 2004).

There is corruption in every region in the world. However, the impact is greater in developing countries than in Northern Europe (Interpol, 2016). According to Transparency International (2015), 114 countries worldwide have a low score on the 2015 Corruption Perceptions Index. This indicates serious problems of corruption in public sector.



(Transparency International, 2015)

This image illustrates where there are high level of corruption in public sector. The level of corruption correlates with the colours. Dark red indicates a very high perceived level of corruption, while yellow indicates the countries are perceived very clean.

3.1.1. WHAT CAUSES CORRUPTION?

Bjørnskov & Paldam (2005) explains that a study conducted by Treisman (2000) found a consensus regarding the k-index on perceived corruption the eight last years. Out of this study, at least four factors influence corruption:

- *The transition from a poor least developed countries to a rich developed countries decreases corruption strongly*
- *Inflation waves rapidly increase corruption*
- *Corruption increases with the complexity of the regularity system and decreases with the quality of the legal system*
- *Various cultural-religious factors affect corruption - especially Protestantism*

A fifth factor is also added, and is highly connected to social capital:

- *When social capital, measured as generalised trust, increases, corruption decreases (Bjørnskov & Paldam, 2005, p. 59)*

Gächter & Schulz (2016) from the University of Nottingham have conducted an experiment to investigate the intrinsic honesty and the prevalence of rule violations across societies. The experiment involved 23 countries around the world where they wanted to demonstrate a link between the prevalence of rule breaking and intrinsic honesty. They asked volunteers to roll a dice twice, and asked the participants to report the first roll. If they reported a five they would get five dollars, four dollars if they reported a four and so on. However, if they got a six, they would get nothing. The duo could not see the results and handed out money based on what the participants reported. If every participant were completely honest, the average would have been \$2.5 and \$5 if everyone were maximally dishonest. However, they say there are many shades of grey between these experiments. The participants may report the higher of the two rolls instead of reporting the first one as they were told. However, this is more bending the rules than completely ignoring them.

They played this experimental game with students from several regions in the world over five years. The nations they chose should represent a wide range on the prevalence of rule violations index, hereby referred to as PRV. This index is a score developed by using indices of political fraud, tax evasion and corruption (Yong, 2016). The results show that participants from countries with a high PRV score behaved less honestly than participants from countries with a low PRV score. No players from either country were completely honest as players from all represented country bent the rules a bit. However, the propensity of doing so varied depending on the level of corruption around them. According to Shalvi (2016), this means that exposure to corrupt environments corrupt the individual. Shalvi (2016) further explains that corruptive norms do not turn people into liars, but makes them more likely to stretch the truth. This complies with the fact that the number of players who said they rolled a five, do not correlate with the PRV score.

Mauro (1997) explains there are some well-known sources for making a country or environment infiltrated by corruption:

- Officials can be offered bribes by groups or individuals in situations where the purpose of price control is to lower a price of some goods below its market value. This gives incentives to bribe officials in order to maintain the flow of such goods or to take part of the unfair share at the below-market price.
- Low wages in public sector compared to wages in private sector give incentives for low-level corruption. When a civil servant is poorly paid, he may be obliged to use his position in order to collect bribes in an attempt of making ends meet. This is especially prominent when the expected cost of being caught is low.
- Sociological factors, such as exposure to corrupt environments correlates with the propensity of adapting corruptive behaviour.

3.1.2. PREVENTION

Transparency International (2016) acknowledges that the ongoing globalization makes corruption move freely and crosses national boundaries with ease. This makes it a vast international problem, not only domestic. However, they believe it can be prevented with a joint worldwide response.

In order to obtain this, there has to be a set of anti-corruption measures between countries. International conventions set out what each country needs to do, both together and internally. One convention that provides a crucial framework is the UN Convention against Corruption, which is the most comprehensive anti-corruption convention. This convention covers a broad range of violations related to corruption - both domestic and foreign. It covers bribery, trading in influence, embezzlement and money laundering. One of their many anti-corruption measures is prevention (Business Anti-Corruption Portal, 2016).

According to this convention, countries are obligated to implement anti-corruption measures in private and public sector. These measures include enhancing transparency in political financing and establishing anti-corruption bodies. Each country must take measures to make sure of promoting transparency, efficiency and merit-based recruitment. There must be established specific anti-corruption requirements, especially in public procurements and in the judiciary. Countries will be told to promote awareness of corruption, support the involvement of civil society and to display practices aimed at preventing corruption (Business Anti-Corruption Portal, 2016).

Transparency International (2016) explains that signing up to a convention is only the first step of prevention in the fight against corruption. If the government's commitment shall result in concrete reforms, they have to ensure that their promises are put into action. Otherwise, the regulations needed to stop corruption will still be missing. In order to ensure that governments meet the terms of anti-corruption conventions, countries should oversee each other's steps and progress. That requires monitoring systems that are impartial, transparent and cost-effective. This will best be achieved by involving civil society.

Transparency International (2016) says they will help countries meet anti-corruption requirements by checking how well a government is doing by highlighting improvements and

gaps. This feedback will give governments a precious knowledge of their performance. They will thereby know what they need to focus on, and thereafter set deadlines for reforms that are still needed. Then, there will be follow-up reviews to make sure that these reforms actually take place. Transparency International has promoted an international review system for the UN convention in order to make the monitoring easier. The review system will consist of a coalition of more than 240 organizations from more than 100 countries. Governments are given ongoing incentives to improve, due to this oversight (Transparency International, 2016).

The Corruption Perception Index shows that transition and developing countries have extensive problems with bribe taking and corruption. This is primarily due to low public sector salaries, senior public officials' and politicians' de facto immunity from prosecution and greed. In addition to this, the propensity of transnational corporations to pay bribes is considerable. Due to this fact, anti-bribery initiatives must recognize and confront these realities in order to be effective (Pope & Vogl, 2000). Pope & Vogl (2000) says there are two key elements in building effective anti-corruption agencies. It contains the willingness of the proponents of good governance to work together in order to develop greater knowledge of best practices, and their willingness to share experiences.

In an annual meeting between the World Bank and the International Monetary Fund in 1996, the problem of corruption was addressed for the first time in many years. It was time for countries to start dealing with "the cancer of corruption", and stop avoiding the problem. The president of the World Bank claimed, "greater transparency and accountability are indispensable to encourage private foreign investment and to raise funds for international development assistance" (Tung, 2002, p. 1). After this meeting, a major report was submitted to help countries combat corruption. The World Bank produced a framework, which aimed at preventing the development issue corruption causes.

3.2. NEW INSTITUTIONAL ECONOMICS

“The new institutional economics is an attempt to incorporate a theory of institutions into economics ... new institutional economics builds on, modifies and extends neo-classical theory to permit it to come to grips and deal with an entire range of issues” (North, 1995, p. 17).

Furthermore, what New Institutional Economics “retains and builds on is the fundamental assumptions of scarcity and hence competition – the basis of choice theoretic approach that underlies microeconomics” (North, 1995, p. 17). The concept New Institutional Economics was coined by Williamson (1975).

Klein (1998) gives a similar definition:

“The new institutional economics (NIE) is an interdisciplinary enterprise combining economics, law, organization theory, political science, sociology and anthropology to understand the institutions of social, political and commercial life” (Klein, 1998, p. 456).

The goal of New Institutional Economics is to explain what an institution is, its purpose, how they evolve, how they may change over time, and how they should be reformed if it is necessary.

New Institutional Economics deviates from neo-classical theory as it abandons the instrumental rationality, which is the assumption that neo-classical theory is an institution-free theory (North, 1995). Earlier theorists attempted to either replace or transform the neo-classical theory.

It was Coase (1937; 1960) who started a revolution within microeconomic with his “discovery” of transaction cost. He found that the neo-classical theory only gave the implicit allocative result in the absence of transaction cost. The key message from his books was that as long as it is costly to transact, institutions matter. Three Nobel Prize winners in Economics, Oliver Williamson, Elinor Ostrom and Douglas C. North, have later supported the importance

of including transaction costs. These four are looked upon as the main contributors within New Institutional Economics.

Another thing that separates New Institutional Economics from neo-classical theory is that it acknowledges that transaction costs are costly. Including transaction cost gives a more realistic view for the decision makers, as it is reasonable to assume that decision makers use both time and resources to attain enough information in order to make a decision. According to studies, transaction costs take up as much as 50-60 % of net national product in modern market economies. This shows why Coase' discovery of transaction costs started a revolution within microeconomics, and why it has been important for developing New Institutional Economics (Furubotn & Richter, 2005).

The concept of institution and organization are essential in order to understand New Institutional Economics. This is because this interaction shapes the institutional evolution of an economy. Institutions refer to the rules of the game, while organizations refer to the players of the game. In the same way as institutions, organizations also offer a structure for human interaction (North, 1991).

North (1993) defines an institution as “the humanly devised constraints that structure human interaction” (p. 1). They can be formal and informal, and are made up from those constraints in addition to their enforcement characteristics. The formal constraints entail rules, laws and constitutions, while the latter entails norms of behaviour and conventions. Informal constraints also include codes of conduct that is self-imposed. The constraints include what an individual is forbidden to do, but also which actions that are desired under certain circumstances. From this, one can say that the institutional constraints “are the framework within which human interaction takes place (North, 1991, p. 4).

There are formal and informal constraints on how sport is to be played, such as treating fellow competitors and team players with dignity and respect. If these constraints are not met, punishment can be enacted. Even though most teams follow the rules, some teams deliberately disobey them in order to enhance their possibility of achieving their goals (North, 1991).

Institutions have one main objective in society, which is to reduce the uncertainty by forming a stable arena for human interactions. It helps and guides us so we know how to act and perform everyday actions like buying milk and bread, or how to greet our colleagues and boss. One thereby learns that one performed action in one arena does not imply that it can be performed in every other arena. In the same way that institutions can be created, they can also evolve. Even though institutions are supposed to be a stable arena, one cannot deny the fact that they are evolving over time. This can transpire due to many factors, such as increased transparency and the ongoing globalization. Because of this, the available choices are frequently changing – either slow or quickly (North, 1991).

As institutions can change marginally due to changes in formal and informal constraints - including all types and efficiency of enforcement, the process is very complicated.

“Although formal rules may change overnight as a result of political or judicial decisions, informal constraints embodied in customs, traditions and codes of conduct are much more impervious to deliberate policies” (North, 1991, p. 6).

Such constraints in culture connect history with the present, but also offer a way to explain the transformation in history (North, 1991). As an example, the struggle for gender equality in Norway is still ongoing 100 years after women got voting rights. This shows that even though formal rules are changed, the informal constraints from customs and traditions have prevented 100% gender equality.

Organizations “are groups of individuals bound by some common purpose to achieve objectives” (North, 1991, p. 5). North (1991) explains that an organization includes several bodies like political, economic, social and educational. Within political bodies, there are political parties like the Democrats or Republicans in the U.S, and the National Atlantic Treaty Organization (NATO). Organization for Economic Co-operation and Development (OECD) and the World Trade Organization (WTO) are two types of economic bodies. Social bodies include churches and athletic organizations. The two highest sporting organizations are the International Olympic Committee (IOC) and the Federation Internationale de Football Association (FIFA). The educational bodies include schools and universities, such as the University of Agder.

As North (1993) defines an organization, he explains how the institutional matrix can bring life to new organizations. Because the institutional framework forbid and despise corruption, organizations such as Transparency International will appear because of the institutional framework's desire to reduce it.

3.2.1. NORMS AND TRUST

All corruptly behaving actors are exposed for the risk of being caught and punished. In addition to the risk of punishment, they have to consider that they cannot get what the corruption partner promised by taking the case to court. All interactions have to be in privacy, and there will be certain general conditions that impose on the actors in every situation of corruption. These conditions imply there have to be a special relationship between the actors as the relationship is reciprocal under certain circumstances. In order to accept or offer a corrupt exchange, every actor will have to assume that his partner will perform his part of the deal. This makes reciprocity an essential condition for an actor to make a corrupt offer, as the utilities of both actors are interdependent. Norms and trust are the two general reasons why actors assume to be in a reciprocal relationship (Graeff, 2005).

Norms have great impact on the perception of reciprocity. An example of this is a situation where a police officer stops a tourist because the driver exceeds the speed limit. The driver offers the police officer €20 before the police officer is able to ask for his driving licence. The actors do not know each other, have no previous relationship and it is highly unlikely they will meet again. If the norm already structures the situation, the risk decreases. If this country has a culture of corruption where public officials are known to demand a fee for not pursuing the case, the decision to join this corrupt exchange is easily made. The risk of prosecution and punishment will therefore be minimal. However, if this country does not have a culture of corruption, the threshold for offering the police officer money will be much higher. The risk of prosecution and punishment will then be substantial (Graeff, 2005).

The general conditions for corruption will still be valid as long as corruption norms exist. Lambsdorff, Taube and Schramm (2005) defines corruption norms as “the expectation that one can usually offer or accept a corrupt deal in a certain situation” (p. 40). There is a distinction between the role of the public and private officials, as corruption is a socially

evaluated behaviour. If one tries to distinguish between bribes and gifts, it gets clear that societies diverge in the degree of differentiating between the public and private role (Graeff, 2005). Where formal principal-agent relationship or formal agent-client relationship are regarded as abnormal and false, gifts are commonly given in exchange for services received. This is particularly typical in some Asian and African countries.

Even though a corruptive norm involves illegal behaviour, it is not automatically perceived as an illegitimate behaviour. In some situations, this corruptive behaviour corresponds to the expectations of the citizens. This can be providing the opportunity to avoid unreasonable regulations. Norms can be used to reduce and increase the likelihood of illegal actions and corruption. Normally, laws are designed to hinder all irregular actions concerning corruption, but there are also some norms that foster corruption. This can be a norm such as "support all family members by all means – even if it is against the law" (Graeff, 2005, p. 44).

In situations where an action is based on specific rather than general information, the relationship is then based on trust. Both sides accept the possibility of being caught or punished. The actors' mutual trust will increase simultaneously as the successful repetition of corrupt exchanges, because more information about the other part will be brought to light during the repetition process. According to Graeff (2005), a commonly used definition of trust is that "a trustor places resources at the disposal of another actor or party (the trustee) and this action involves a risk" (p. 46). Reciprocity has, same as with norms, a vital meaning when it comes to trust. It is essential and necessary that both actors expect a fair deal due to the illegality of corrupt exchanges, and that all corrupt deals are offered and accepted by own will. If one of the actors suspects that his corruption partner will not hold up his end of the deal, there will be no transaction (Graeff, 2005).

Coleman (1990) has certain concepts and criterion of trust, which he found corresponded to situations of corruption. "Trust allows an action on the part of the trustee that would not have been possible otherwise" (Coleman, 1990, p. 97). Since there is a mutual trust between the corruption partners, they gain an increment in their utility that they would not get with legal transactions. It also means that both actors have to accept the risk an illegal transaction entails (Graeff, 2005).

Further, Coleman (1990) says that “the person who places trust is better off than if trust were not placed, whereas if the trustee is not trustworthy, the trustor is worse off than if trust were not placed” (p. 98). Based on reciprocity, both actors are in control of losses and advantages from the corrupt exchange. If one of the actors does not act trustworthy, the other part loses the gain he was promised whereas the risk of being caught and punished increases for both actors.

A third criterion mentioned by Coleman (1990) is the fact that the trustor voluntarily place resources at the disposal of another actor without any guarantee that this actor will fulfil his part of the deal. Coleman (1990) also mention time lags as a crucial element of a relationship based on trust, because trust has to do with future actions. This can be linked with corrupt transactions, considering it can take some time before one can discover whether the corruption partner has kept his word and held up his end of the deal.

“An actor initiates a corrupt exchange if a chance of winning relative to the chance of losing is greater than the amount that he would lose relative to the amount that he would win” (Graeff, 2005, p. 47). Graeff (2005) further says that Coleman has developed a formula that explains when a rational actor will place trust and accept a corrupt offer:

$$\frac{p}{1-p} > \frac{L}{G}$$

In this equation, p is the chance that the trustee does what the trustor expect him to do and reflects the trustworthiness of a person. L is potential loss and G is the potential gain. The p will also reflect reciprocity, because mutual trust will increase with the number of successful corruption transactions.

3.3. CORRUPTION IN SPORTS

To be able to understand the phenomenon that is corruption in sports, a suitable definition in addition to the definition of corruption is needed. One definition says:

“In sport, corruption may take the form of behaviour by athletes who refrain from achieving the level of performance normally required in the sport in question to win the competition and instead intentionally permit others to win. Or behaviour by sporting officials who consciously perform their allocated tasks in a manner at variance with the objectives and moral values of the relevant club, association, competitive sports in general and/or society at large” (Maennig, 2006, p. 189).

Corse and Chadwick (2010) on the other hand gives an alternate definition:

“Corruption in sport involves any illegal, immoral or unethical activity that attempts to deliberately distort the result of a sporting contest for the personal material gain of one or more parties involved in that activity” (p. 4).

As Maennig (2006) does not include doping as a type of corruption, the latter might seem to be a better fit if one is to look at corruption in sports.

A third definition, and perhaps the most suitable for this thesis, is that “corruption in sport equates to the deviation from public expectations that sport will be played and administered in an honest manner” (Masters, 2015, p. 113). “Playing sports” will include both preparation and the competition. “Administered” includes several levels, “like the individual athletes, teams, clubs, leagues, competitions, national associations, public officials and international organisations – from public and private spheres” (Masters, 2015, p. 113). This definition also includes the term “administered” that can refer to refereeing both on and off field.

Corruption in sports is not a new phenomenon. Throughout history, many cases have taken place. The first case of documented corruption took place 388 years BC. It was the athlete, Eupolos of Thessalia, who bribed three of his competitors in a fistfight tournament in the Olympic Games (Maennig, 2006) (Antonopolulos, 2015). Since then there have been many

cases concerning corruption in sports that have not only shook the world of sports, but also the world as a whole.

Transparency International (2014) shows that corruption in sports comes in many forms. One example is referees and players who accept bribes in order to fix matches. Another example can be club owners that demand some sort of payment or bribe in order to sell or buy a player. There are also examples of organised crime where these criminal organizations are responsible for betting and match-fixing scandals. Money laundering is widespread in these cases (FATF, 2009). Organised crime can take place through sponsorship and advertising arrangement, but also through purchasing of players, clubs and the rights for a brand.

Between 2000 and 2010, Chadwick & Gorse (2011) performed a study of 2,089 cases concerning which form corruption in sports took place, where they included doping. They found that doping was responsible for 95.64% of the cases. However, this thesis will focus on the remaining 4.36%, where it is split between three types. 1.58% was match-fixing related to betting, 1.15% relates to match-fixing that is not connected to betting, while the remaining 1.63% relates to the misuse of inside information.

Chadwick & Gorse (2011) further explains that corruption also consist of bribery, vote rigging and financial management. On equal terms, these can also destroy the integrity of sports. The problem is that it is often hard to link allegations with concrete evidence of corruption in sports. However, sometimes the allegations are so obvious that an actor is punished without concrete evidence.

All type of sports can be targeted, where the likelihood for corruption increases in correlation with the potential profit. Examples are European and American football, cricket, basketball, rugby and motor sports. These targeted sports are characterized as being big worldwide and high valued sports. Another likely motivation for corruption is that popular sports can be a way for the actors to be acquainted with powerful and well-known people that can enhance the actor's possibility of achieving higher profit in present and in the future (FATF, 2009).

One of the purposes of this thesis is to find research that explains how and why corruption in sports occurs.

“Sport is a multi-billion dollar business. It has intricate ties to political and private interests. This means rich opportunities for corruption. Yet across the sporting sector, most deals and decisions take place behind closed doors. This allows corruption to go unchecked and unpunished.” (Transparency International, 2015).

Based on projections for 2015, PwC (2011) predicts that sports will generate revenues of \$145 billion – a second edition believes it will be \$145.3 billion (PwC, 2015). According to a study by Collignon & Sultan (2014), the global sports industry is worth as much as \$700 billion. This is equivalent to 1 % of the global GDP. That is, if one include clothes, sporting goods and equipment in addition to fitness and health spending. It also says that between the year of 2009 and 2013, the growth of the sports market was higher than the GDP growth in countries like France, United States, Brazil and United Kingdom.

Furthermore, the study of Collignon & Sultan (2014) estimated \$80 billion in revenues from sportive events in 2014. These revenues are believed to reach \$91 billion by 2017. The extraordinary growth in revenue gives incentives to an expansion of actors who want to be a part of it. This includes a money flow from “fans to pay-tv providers; from leagues to clubs; and add to that the complexity of national agendas” (Collignon & Sultan, 2014). These potential revenues makes it understandable why there is a fierce competition in getting hosting rights for sporting events, such as the Olympics and the World Cup in football. The fact bribery has been discovered in order to obtain the rights for hosting the 2018 and 2022 World Cup shows how important some countries find it to be able to obtain that sort of revenues and exposure.

The sports industry offers a huge potential revenue generation for more than just one single actor. This means that large events like the Olympics and the World Cup in football have made one acknowledge that manipulation of sports is a serious matter that has to be addressed. Corruption in public procurements and abuse is likely to occur in the process of obtaining the hosting rights, or in order to get entrepreneurs to deliver infrastructure - like a stadium for the event. Bribery is a well-known tool in order to make this happen. The awarding of the 2002 Winter Olympics to Salt Lake City gives a valid example of corruption in public procurement by misusing authority for organizational gains (Chadwick & Gorse, 2011) (Masters, 2015). There are also other sportive events where the problems have been

documented, such as the Olympics in Beijing 2008, Sochi 2014 and Rio in 2016 (Transparency International, 2014).

FIFA's primary objective is to "improve the game of football constantly and promote it globally in the light of its unifying, educational, cultural and humanitarian values, particularly through youth and development programs" (FIFA, 2016). IOC has many of the same principles, but for sports in general (International Olympic Committee, 2016). However, there is often a low degree of correlation between such principles and which practice that is used. In an article by Jennings (2011), he shows that the absence of transparency and accountability from IOC and FIFA correlates with the propensity for corruption. So, even though both stand for ideals such as transparency, fair play and to encourage the promotion of ethics in sports, "most deals and decisions take place behind closed doors" (Transparency International, 2015).

Monetary gains are often the reason and motivation why corruption takes place. Examples of this can be a club that bribes a referee in order to guarantee that they qualify for the Champions League, where a total of €1,257 million were distributed to the teams who participated (UEFA, 2015). Further, the numbers shows that 80% of the €112 million distributed to national associations will be distributed to national associations who have at least one club participating. This can also give an incentive for the national associations to assist those clubs who have a chance of making it to the group stage.

Brooks, Aleem & Button (2013) explains in their book that the "desire for financial reward is mixed with the need for recognition" (p. 51). The need for recognition can come from personal relationships and family. It can also come because of outside pressure from fans and media, whom can easily support other athletes who are more successful. This mix can create a big motivation for athletes to do whatever necessary to succeed.

There are several problems with corruption related to sport today. With the current development, it seems possible that every area associated with sports are in danger of being affected. Another aspect can be a journalist who receive different sort of bribes in order to increase the coverage of the event. Alternatively, sponsors might be paying large sums in order to ensure television coverage (Maennig, 2006).

3.4. PROPOSITIONS

Andersen (2014) explains that a proposition is a statement of the relationship between concepts, and are in contrast to hypothesis not required to be empirical testified. The relationship between the defined concepts will be used to explain and predict the phenomenon. The main purpose of propositions in a qualitative study is to extract the findings from the theory and subsequently form the basis for the analysis and discussion. Based on the referred theory, there have been developed four propositions, which will be referred to as P1, P2, P3 and P4. In order to extract the main findings, a brief summary of the theory will be presented.

Proposition P1 deal with the characteristics of the main actors who are involved in corruption related to football, and is connected to research question 1:

- Who are the main actors?

Transparency International (2015) illustrates the perceived level of corruption around the world in public sector. This illustrates that countries with low transparency, inflation waves rapidly and where social capital are low comes out badly. Gächter & Schulz (2016) have conducted an experiment of the propensity of rules violating. The findings concludes that people from countries with a high PRV score have a higher propensity for bending the rules. Shalvi (2016) claims that people who are exposed to corruptive environments are more adaptive to corruptive behaviour than others are.

P1: Organizations related to football are more prone to corruptive behaviour if the involved actors are from countries that are perceived highly corrupt.

Proposition P2 deals with the mechanisms on how corruptive behaviour can influence the game of football, and is related to research question 2:

- What are the main mechanisms?

According to Transparency International (2014), EU estimates that around \$163 billion are lost to corruption annually, where bribery is considered one of the main tools. The Legal Information Institute (2016) defines bribery as “the offering, giving, soliciting, or receiving of

any item of value as a means of influencing the actions of an individual holding a public or legal duty”. The benefits bestowed upon those who are bribed can be monetary and non-monetary. The World Bank (2016) refers to this as corrupt practice, but also explains how bribery is used to influence government contracts, government benefits and licenses.

Corruption in public procurements associated with grand corruption, where there are huge payments to higher ranks (World Bank, 2016). A way of ensuring hosting rights for a sportive event or the rights to deliver infrastructure to that event, can be by bribing high-ranked officials. Chadwick & Gorse (2011), Masters (2015) and Transparency International (2014) all shows that there have been documented problems with bribery during the last decade in the Summer- and Winter Olympics. Transparency International (2015), Chadwick & Gorse (2011) and the Financial Action Task Force (2009) explains how bribing players and referees is a way for criminal organizations to ensure profit from betting.

P2: Bribery is the main tool of corruption in football.

Proposition P3 deal with reasons why corruption in football takes place, and is related to research question 3:

- What are the main drivers?

Sport is a multi-billion dollar business. Based on projections for 2015, PwC (2011) predicts that sport will generate revenues of \$145 billion – a second edition believes it will be \$145.3 billion (PwC, 2011). According to a study by Collignon & Sultan (2014), the worth of Global Sport today is equivalent to 1% of the global GDP. Furthermore, the study estimated \$80 billion in revenues from yearly events in 2014 and that it would reach \$91 billion by 2017. In an annual review by Deloitte (2015) of the five biggest European football leagues, there was an increase from €7.2 billion in 2007 to €11.3 billion in 2014.

The extraordinary growth of revenues in football has led professional criminals to operate “internationally to exploit football and make money through match fixing and irregular betting (Abbott & Sheehan, 2013, p. 263). World Bank (2016) says that those with low salaries will have incentives to supplement inadequate pay. Brooks, Aleem & Button (2013) explains in their book that the “desire for financial reward is mixed with the need for recognition” (p. 51). The need for recognition can come from media and fans, but also

personal relationships and family. This mix can create a big motivation for athletes to do whatever necessary to succeed.

P3: The greatest motivation behind corruptive behaviour is monetary gains.

The last proposition, P4, is related to research question 4 and concerns the mechanisms of prevention.

- How can corruption be prevented?

Business-Anti Corruption Portal (2016) claims that in order to prevent, it is necessary to implemented measures in public and private sector that enhance transparency and the establishment of anti-corruption bodies. The Corruption Perception Index by Transparency International (2015) shows that countries with lack of transparency have a low score on this index, which indicates high degree of corruption. Jennings (2011) says that the absence of transparency and accountability correlates with the propensity for corruption. Pope & Vogl (2000) explains that anti-bribery must recognize and confront the reality of the problems one encounters in order to be effective.

P4: High degree of transparency and acknowledgement of the problems one are facing will decrease the risk of corruption related to football.

4. RESEARCH METHODOLOGY

This chapter starts with a presentation of the research methods and design used in this study. It thereby gives a description of the sources that are used and the procedure of data collection. Finally, the validity and reliability will be addressed.

4.1. RESEARCH METHODS

Case study is the method of choice in situations where the goal is to increase the knowledge of individual, group, organizational, social, political and related phenomena (Yin, 2014). The idea behind case studies is that one must examine real life situations from various angles and perspectives in order to get a clear picture of the problem (Sekaran and Bougie, 2013). One common definition of case study as a research method is:

“The essence of a case study, the central tendency among all types of case study, is that it tries to illuminate a decision or set of decisions: why they were taken, how they were implemented, and with what result” (Yin, 2009, p. 17).

Case study research can be based on a single or multiple case studies. When using multiple case studies, it is crucial that there is sufficient access of data for each case. As it follows from the definition, these cases should be likely to illuminate the research questions (Yin, 2014).

Multiple case studies are also called comparative studies, which mean comparing two or more cases (Yin, 2014). This thesis will investigate the main mechanisms, actors and drivers of corruption in football. The study will focus on three different case scenarios; corruption in FIFA, corruption in football clubs and betting and match-fixing. It is a comparative study by comparing two cases at each scenario.

One can distinguish between qualitative and quantitative research design. Zikmund (2003) says that qualitative research focus on observations and words. These words are interpretations, stories and “other expressive descriptions”. The purpose of a qualitative research is to explain the underlying reasons and motivation for the phenomena one are studying, and to gain new insight. Quantitative research focuses on investigating the

phenomena via numbers and statistical techniques (Zikmund, 2003). The research in this study will have a qualitative focus.

Whether one uses a single or multiple case studies, the study can be exploratory, descriptive or causal (Yin, 2003). The purpose of a descriptive case study is to describe a phenomenon in a real-world context. A descriptive study may conclude quantitative data, such as ratings and statistical figures. It will also entail qualitative material to describe the set of decisions (Sekaran and Bougie, 2013). Zikmund (2003) explains that a descriptive design will be used when the purpose is to analyse the relationships between variables or to describe the characteristics of a group. A causal research design will explain the cause-and-effect-relationships between the variables. An exploratory study aims to define the research questions, and to determine the achievability of this. When there is insufficient information to develop a theoretical framework, explorative studies are necessary. Zikmund (2003) explains that most of the explorative research will provide qualitative data.

New Institutional Economics is used as a theoretical basis in this thesis, which holds several exploratory variables. The findings show that the main actors, mechanisms and drivers are key aspects considering New Institutional Economics within corruption in football. Hence, this thesis explores these terms where the focus was derived from exploratory research. Explorative research has made it possible to break down a broad research into more concrete research questions and propositions.

This thesis also contains descriptive research in the sense that it describes the characteristics of the actors, mechanisms and drivers of the six different cases. The sample of two cases at each scenario is small, and is not intended to be a representative sample of all cases of corruption. One must therefore be careful in making generalizations based on this study. However, these are among the most known and biggest scandals, and can shed light on the characteristics of the involved actors, mechanisms and drivers.

4.2. RESEARCH DESIGN

Yin (2009) describes research design as “a logical plan for getting from here to there” (p. 26). “Here” means the research questions that are to be answered, and “there” are some answers and conclusions to these questions. For case studies, five components are truly important in a research design:

1. Research questions
2. Propositions, if any
3. Unit(s) of analysis
4. The logic linking of data to the propositions
5. The criteria for interpreting the findings

(Yin, 2009, p. 27)

If the research questions seek to find answer in the terms of “how” and “why”, the case study method will be appropriate (Yin, 2009). The research questions in this thesis mainly seek to give answers to why and how corruption in football occurs. The questions that are to be answered in that matter are; who are the main actors, how are they involved (main mechanisms) and why are these actors involved (main drivers), and how can corruption be prevented? The components of research questions and propositions will not be discussed further, as they have already been accounted for in previous chapters.

4.3. UNIT OF ANALYSIS

The unit of analysis is defining what or whom one is analysing in the study. The case can be a single individual, a group of students, or about decisions, programs and events. One can split the units of analysis in three subcategories, 1) selecting cases, 2) the phenomenon and 3) the context (Yin, 2009).

SELECTING CASES

There will be two comparative cases in three different scenarios in this thesis. One criterion for selection is that there has been revealed corruption or convincing suspicion of corruption. However, the most crucial criterion was that each case had sufficient amount of data and the ability to illuminate the research questions. The selected cases are therefore well known and amongst the biggest scandals within corruption in football. The allocation of the 2018 and 2022 World Cup to respectively Russia and Qatar were obvious cases. There have been revealed corruption and strong suspicions of corruption related to these allegations. FIFA has given those assignments, and are now facing investigation of corruption.

Both Juventus and Fenerbahçe have lost titles and been banned from various tournaments. The use of Internet has taken the betting market to a new level, and one can bet on almost any event in any match. Match-fixing organised by criminal organizations have therefore become a serious problem for sports.

THE PHENOMENON – UNITS OF OBSERVATION

This thesis investigates how New Institutional Economics can be linked with corruption in football. There are six cases where there have been revealed, or are serious suspicions of corruption. It is a comparative study with six units of observation (N=6). The six units of observation are the allocation of 2018 and 2022 FIFA World Cup, the football clubs Juventus and Fenerbahçe and the Bochum and Scommessopoli case.

There are several categories under each unit of observation that will be observed. These categories can be referred to as units of variations and can be concepts, variables or constructs. Zikmund (2003) explains that variables are observable and concrete, while a concept is not directly observable and is derived by the perception of a phenomenon. There are particular two concepts of interest in this study: drivers and prevention. Andersen (2014) explains that the concept should present a theoretical definition and that it should include characteristics of the concept. It is important to avoid non-circular definition, and it should be able to distinguish the concept from other concepts. Furthermore, this study has two variables of interest: actors and mechanisms. There are five classifications of variables. Actors and

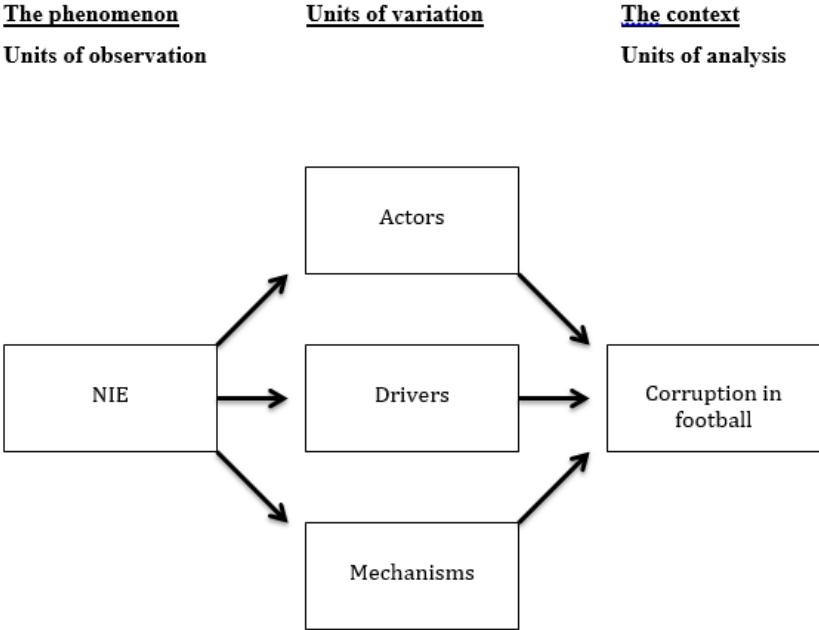
mechanisms serve as independent variables, and New Institutional Economics as a dependent variable.

THE CONTEXT – UNITS OF ANALYSING AND BOUNDING THE CASE

One can study any phenomenon at various levels of analysis. As the main research question implies, this study will look at how New Institutional Economics can be linked with corruption in football. Lor (2012) says that unit of analysis refers to the major entity that is analysed in the study. In this study, it means analysing the actors, mechanisms, drivers and prevention in the selected cases. In the context of how New Institutional Economics can be linked with corruption in football, those units seem to be the natural units to analyse.

Yin (2009) says it is necessary to distinguish between the phenomenon and the context. This thesis wants to explore how New Institutional Economics (the phenomenon) can be linked with each of the selected cases (the context) of corruption in football.

FRAMEWORK



4.4. DATA SOURCES AND COLLECTION

Yin (2009) explains that one should "use multiple sources of evidence" when collecting data. When using multiple sources of evidence, one ensures that the collected data are valid and reliable. In the presented cases there have been used several journals and articles written by various authors, which includes leaked e-mails and interviews. The data and documentation used in this study is retrieved from publicly available records and documents, and includes:

- Journals and articles in trustworthy newspapers.
- Annual reports of perceived corruption worldwide.
- Reports of actions and initiatives to prevent corruption, released by governing and football bodies.
- Former studies of corruption in football.
- Information released by governing bodies.

This thesis is primarily based on secondary data. Zikmund (2003) describes secondary data to be "data gathered and recorded by someone else prior to (and for purpose other than) the current needs of the researcher" (p. 136). The secondary sources will be journals and articles written on the topic, such as "The FIFA Files" by the Sunday Times. Even though the thesis primarily contains secondary sources, there are also primary sources included. Primary sources will refer to official websites, such as information released by FIFA or other football bodies, Transparency International and governing bodies.

4.5. VALIDITY AND RELIABILITY

This subchapter will address the validity and reliability of the sources and the collected data used in this study.

There are four tests that are commonly used to establish the quality of any empirical study, construct validity, internal validity, external validity and reliability (Yin, 2009). Construct validity is "identifying correct operational measures for the concept studied" (Yin, 2009, p. 40), which means measuring how the operational measure matches with the concept. The

operationalization of the concept is presented to be the actors, mechanisms and drivers. This is primarily found in previous studies and journals.

Some previous studies only addressed either the actors who are abusing their entrusted position, or those who seek to gain from this abuse. It is important to investigate both sides of the abuse to give a more complementary picture of who the main actors are. In order to analyse the main actors and link this with New Institutional Economics, the Corruption Perceptions Index by Transparency International is used. This index is not flawless and can be misleading as it only measures corruption in public sector. To analyse the actors, the focus has been at the origin countries of the actors involved. In order to get a more precise answer and to generalize, one would have to look deeper into each actor. However, this thesis is narrowed down to the actors' origin countries.

The measures become less specific for the mechanisms. This is because corruption is a complex term and comes in many forms, such as bribery and political corruption. For this reason, the focus has been to see if corruption in football is conducted in the same way, and if one can generalize these mechanisms.

Internal validity is used for explanatory case studies, and is inapplicable to descriptive and exploratory studies (Yin, 2009).

External validity is “defining the domain to which a study’s findings can be generalized” (Yin, 2009, p. 40). It deals with the problem of knowing how the findings in the study are generalizable. Will the findings in one of the cases be applicable to one of the other cases? According to Yin (2009), statistical generalization is the most commonly recognized way of generalizing. However, the problem with statistical generalizing in a comparative study is the many variables and small number of samples, which could lead to misunderstandings. One cannot make a statistical conclusion on the main actors, mechanisms and drivers based on an analysis of six cases. For comparative studies, one is relying on analytic generalizations where “the investigator strives to generalize a particular set of results to some broader theory” (Yin, 2009, p. 43).

Reliability is “demonstrating that the operations of a study-such as the data collection procedures can be repeated, with the same result” (Yin, 2009, p. 40). This means that a later investigator should retrieve the same findings and results by following the same procedure and conduct the same case study all over again. Unlike the use of domestic sources, the use of international sources increases the reliability and validity of the results. Therefore, the majority of the sources are international, such as The Times, The Guardian, World Bank and Transparency International. The Sunday Times is frequently used in the cases concerning FIFA as they have used an investigation team to dig into the World Cup allocations. Other journals and articles that are written about those cases mostly refer back to this investigation and the report called “The FIFA Files”.

Another investigator, who follows the same procedure of data collection, will get similar data and findings. However, the conclusions made by this investigator may be different from the conclusions in this thesis.

5. EMPIRICAL FINDINGS

In this chapter, several cases that cover corruption in football will be presented. A wide variety of cases will show how corruption occurs and how it works in different scenarios in football.

5.1. CORRUPTION IN FIFA

In this subchapter, two cases will be presented. Both cases show how the involved actors' corruptive behaviour provided suspicion to the allocation of the 2018 and 2022 World Cup. The first case shows how Qatar was allocated the 2022 World Cup, while the second shows how Russia was allocated the 2018 World Cup.

Qatar and Russia were in 2010 allocated the next two World Cups simultaneously. In an interview, Sepp Blatter implied that Russia and US were the two scheduled hosts.

“In 2010, we had a discussion about the World Cup and then we went to a double decision. For the World Cups it was agreed that we go to Russia [in 2018] because it's never been in Russia, Eastern Europe, and for 2022 we go back to America. And so we will have the World Cup in the two biggest political powers“ (Peck, 2015).

A brief presentation of FIFA will be given, as it is FIFA executives who have been accused for corruption.

FIFA was founded in 1904 by seven European footballing nations in Paris, and are now based in Zurich (FIFA, 2014). The organization expanded rapidly and there are now 209 national associations (Tomlinson, 2014) (Youd, 2014). According to FIFA's official website, FIFA's primary objective is to “improve the game of football constantly and promote it globally in the light of its unifying, educational, cultural and humanitarian values, particularly through youth and development programs” (FIFA, 2016). FIFA has developed code of ethics. Amongst those codes there are a chapter concerning bribery and corruption. It follows from the report that people bound by this code must not “offer, promise, give or accept any

personal or undue pecuniary or other advantage in order to obtain or retain business or any other improper advantage to or from anyone within or outside FIFA” (FIFA, 2012, p. 19).

Furthermore, the report states that people bound by this code must not carry out such actions if it relates to their official activities and activities that is conflicting with their obligations. People bound by this code are “officials and players as well as match and player’s agents” (FIFA, 2012). It should be reported to the Ethics Committee if someone is conducting such actions.

It is the FIFA executive committee, further referred to as “Exco”, who is the executing body in FIFA. Exco consists of “a President elected by the Congress in the year following a FIFA World Cup, eight vice-presidents and 15 members, appointed by the confederations and associations” (FIFA, 2016). This means that Exco members are responsible for allocating the World Cup (Youd, 2014). When allocating the World Cup, an absolute majority of votes is required for a nation to win the rights to host (FIFA, 2010).

5.1.1. THE ALLOCATION OF THE 2022 WORLD CUP TO QATAR

Qatar was in 2010 allocated the 2022 World Cup in football. In front of the 2022 World Cup election, Qatar lacked practically everything needed to host the World Cup. They were short on stadiums, airports and the infrastructure in general was far from sufficient. Qatar plan to use \$200 billion in infrastructure, and there are concerns about how much the stadiums will be used after the World Cup (Forbes 2015).

During summer, the temperature can easily surpass 37 degrees Celsius (WeatherSpark, 2016)¹ in Qatar. FIFA has therefore planned to move the World Cup to the winter months, which will have an enormous financial and logistical impact on professional football leagues all over the world. Moving the World Cup will not only affect football leagues and clubs, but also broadcasters and business partners (Youd, 2014). Consequently, the allocation raised a great deal of criticism and questions concerning a corrupt process were alleged.

¹ The appendix show the average weather for Doha, Qatar

FIFA made a bid evaluation report on every applicant nation in front of the bid competition in 2010 (Manfred, 2014). The operational risk evaluation shows that Qatar has a significant higher operational risk compared with their main competitor, USA.

USA		QATAR	
Competition		Competition	
Stadium construction	Low risk	Stadium construction	Medium risk
Stadium operations	Low risk	Stadium operations	Medium risk
Team facilities	Low risk	Team facilities	High risk
Competition-related events	Low risk	Competition-related events	Low risk
Transport		Transport	
Airports and international connections	Low risk	Airports and international connections	Medium risk
Ground transport	Medium risk	Ground transport	Medium risk
Host City transport	Low risk	Host City transport	Medium risk
Accommodation		Accommodation	
General accommodation	Low risk	General accommodation	Medium risk
TV		TV	
International Broadcast Centre (IBC)	Low risk	International Broadcast Centre (IBC)	Medium risk

(Manfred, 2014)

The Sunday Times has investigated and revealed how the Qatari vice-president of FIFA, Mohammed Bin Hammam, used his position to secure that Qatar received the needed votes from the Exco members (Youd, 2014). The newspaper has Bin Hammam used a number of secret slush funds to make payments to senior football officials. The total payments were over \$5 million, and he did this to create the basis of support to Qatar’s plans for hosting the World Cup (The Sunday Times, 2014).

The Sunday Times has through millions of leaked files and e-mails, managed to unlock the mystery of how Qatar was allocated the 2022 World Cup. They investigated and revealed how the Qatari vice-president of FIFA, Mohammed Bin Hammam, used his position to secure that Qatar received the needed votes from the Exco members (Youd, 2014). Bin Hammam used a number of secret slush funds to make payments to senior football officials. The total payments were over \$5 million, and he did this to create the basis of support to Qatar’s plans for hosting the World Cup (The Sunday Times, 2014).

The files show that Bin Hammam secured African votes by providing them with lavish junkets, offering gifts, private jets and other lucrative benefits. The President of Namibian FA, John Munjo, sent an email to Bin Hammam expressing his gratitude for the great hospitality the Qatari delegation gave him and his family during their visit to Doha. Munjo said it was like a “renewed honeymoon”. He further said that he was convinced that the Middle East is more than ready to host the World Cup and that Namibia would support their bid. Finally, in the email Munjo said; “We would want to be assisted with a once off financial assistance in the tune of \$50,000 for the 2010 season to run our second division leagues that went crippled by the prevailing global economic meltdown” (The Sunday Times, 2014). Bin Hammam replied that he would see it done as soon as possible.

Exco voter from Ivory Coast, Jacques Anouma, promised his support to the Qatari committee after a stay in Doha the same month as Munjo. He later on sent an email to Bin Hammam expressing his gratitude for the hospitality he and his wife had received, and promised to push very hard for their bid (Calvert & Blake, 2014). The president of Botswana FA was also impressed after the trip he had to Doha. He wrote in an email to Bin Hammam that even though he did not have a vote, he would pledge his support to Qatar. Out of 22 votes from the Exco members, four of them were from African nations (Rumsby, 2014).

The “FIFA files” also revealed a murky relationship between Bin Hammam and the boss of Caribbean football, Jack Warner. The files show how Warner received \$450,000 from Bin Hammam before voting for the 2022 World Cup (Calvert & Blake, 2014). This transaction was the first concrete evidence of monetary payments to an Exco member. Newell (2014) says that Warner and his family were paid almost \$2 million from a Qatari firm owned by Bin Hammam. The company paid \$1.2 million directly to Warner and almost \$750,000 to his sons in 2011. A note dated December 15th 2010, states that one of Warner’s companies requested payment from one of Bin Hammam’s firms for work carried out between 2005 and 2010. The amount requested was \$1.2 million, and the date was two weeks after Qatar was allocated the World Cup. The note also states that the money was “payable to Jack Warner”.

President of the Football Association of Thailand and Exco member, Worawi Makudi, visited Bin Hammam in Doha, August 2010. Makudi had a background from the Arab world and was educated in Kuwait in the 1970s (Calvert & Blake, 2014). His chief adviser at the Thailand FA, Sim Hong Chy, joined Makudi. Blake (2014) explains that four months before the voting,

Bin Hammam used his influence and power to guide Makudi's team into talks about a large gas deal with members of the Qatari royal family and top Qatari government officials. This meeting took place at a time when Thailand were seeking to save tens of millions of dollars on their liquid natural gas deal from Qatar. Sim had a meeting with the then deputy prime minister and energy industry minister, Abdullag bin Hamad Al Attiyah, at the diplomatic district of Doha. During the meeting, they discussed an arrangement between the Qatari Football Association and the Thai FA regarding the deal for liquefied natural gas.

The price on gas had plummeted by 20% since the deal was first discussed. This would leave Thailand to pay Qatar a lot more than predicted. Thailand was hoping to save tens of millions of dollars by persuading Qatar to release and allowing them to buy at market price. Even though this would yield no benefit to Qatar, Bin Hammam provided an opportunity to discuss this.

In the following months, the gas agreement with Qatar was signed and Thailand could buy liquefied gas at a much cheaper spot price. PTT, the Thai state-owned gas company, has denied all allegations that the deal with Qatar Gas was in exchange for supporting Qatar's World Cup bid (Calvert & Blake, 2014).

The Brazilian Exco member, Ricardo Teixeira, was according to Newell (2014) receiving payments of £2 million. The money was put into a savings account in his 10 years old daughter's name. The money transfer took place in 2011, and it is believed that Sandro Rosell made the transfer. Rosell was president of Barcelona Football Club from 2010-2014 and is a well-known businessman (FC Barcelona, 2016). However, sources close to FC Barcelona denied that they knew anything about the payment. In December 2010, Barcelona signed a sponsorship deal with the Qatar Foundation. Qatar Airways has thereafter been one of their main sponsors (FC Barcelona, 2016). The lawyers from the Qatar bid refused that the payment to Teixeira from Rossell had anything to do with the 2022 World Cup bid (Bryant, Watt, & Newell, 2014). Teixeira was according to Feltes (2013) also accused of receiving several millions in bribes during the 90s concerning other World Cup allocations.

The then UEFA president and French Exco member, Michel Platini, has acknowledged that he planned voting for United States' 2022 World Cup bid. According to The Guardian (2015), he changed his mind and voted for Qatar after a meeting with the then French President,

Nicolas Sarkozy, and senior Qatari officials in November 2010. Platini has denied that the meeting had any influence on his decision: "Sarkozy never asked me to vote for Qatar, but I knew what would be good" (Cue, 2015). Sarkozy wanted the Qataris to buy Paris Saint-Germain in order to build a European top team (Conn, 2013). A few months after the allocation, Qatar Airways bought the club and now pay enormous sums for new signings and wages.

The FIFA files also reveals a relationship between Platini and Bin Hammam. Blake (2014) says that Platini met with the Qatari bid committee in Switzerland two months before voting. Bin Hammam personally arranged the trip and the purpose for the meeting was to give Platini a private presentation. Blake (2014) further explains that Platini dined privately at a restaurant the night before the meeting with Qatar's crown prince. The man in charge of Qatar's bid committee was one of the crown prince's brothers.

5.1.2. THE ALLOCATION OF THE 2018 WORLD CUP TO RUSSIA

The investigation team at The Sunday Times claims that the then prime minister of Russia, Vladimir Putin, had "tasked a trusted cabal of oligarchs with doing "deniable" deals to win the support of FIFA voters" (Calvert & Blake, 2014). Putin tasked the oligarchs to do whatever necessary to ensure the victory. As Putin is an ex-intelligence officer, he was extremely cautious and made sure that everything they did had to be deniable. This is why he brought in the oligarchs.

The dossier says that Bin Hammam was willing to swap votes with countries for the 2018 World Cup in his campaign to get support for Qatar's 2022 bid (Calvert & Blake, 2014). One month after a meeting between the Russian bid delegation and Bin Hammam in Qatar, the Russian FIFA Exco member, Vitaly Mutko, wrote a letter to Bin Hammam:

"Allow me to thank you for the most cordial welcome of the Russia-2018 bid delegation in Doha this April. I was told about the friendliest and most candid discussion, which you had with my Bid colleagues. I am happy that the leaders of our countries enjoy very good relations" (The Sunday Times, 2014).

England was in advance of the bid one of the favourites to host the 2018 World Cup. They suspected that Russia was spying on them, and therefore put together an intelligence team staffed by former MI6 officers (The Sunday Times, 2014). The dossier contains data that Russia was raiding its state collection of art, in order to give to key voters. Michel Platini was one of the officials believed to have been offered a Picasso painting, which he strongly denied. Another Exco voter who allegedly received art in exchange of his vote from former Russian FIFA Exco member, Viacheslav Koloskov, was Michael D'Hooghe from Belgium. He admits that he received a painting from Koloskov, but claims it was a gift between friends and had no value (The Sunday Times, 2014). D'Hooghe said to The Sunday Times (2014), "Firstly, I never promised nothing to nobody, secondly I never voted for Russia, and third I never received fine Russian art. I hope it is still in my attic. If I hang it on the wall in my house, I think I will have a divorce".

The dossier also raises questions about the relationship between Qatar and Russia. Both nations were suspected of trading votes through gas deals with the Gulf state, which gave them access to massive gas reserves in Siberia's Yamal Peninsula. "An extremely well-placed source is said to have told intelligence operatives hired to spy for England that the oil deal was significantly related to the World Cup" (Calvert & Blake, 2014). An ex MI6 source said they had intelligence that countries bribed FIFA members. However, the FIFA investigator, Michael Garcia, used £6 million without finding any concrete evidence of vote rigging.

The investigation led to suspension of Exco member, Amos Adamu, in October 2010. Adamu told undercover reporters that members involved with the Russian bid team had offered him "co-operation" with building infrastructure in native Nigeria, such as football facilities. After these claims were made public, the head of Russia's bid, Alexei Sorokin, categorical denied these accusations (Lichtenstadter, 2015). The Guardian (2010) tells that Adamu was banned for three years after he was found guilty of violating bribery rules, as he was alleged to have asked for cash in return for World Cup votes. The head of the Tahitian Football Federation and Exco member, Reynald Temarii, was also banned for a year and got a fine of 5,000 Swiss francs for violating rules on confidentiality and loyalty (The Guardian, 2010). Hence, these two officials were prohibited from voting for the 2018 and 2022 World Cup in 2010. This led to only 22 of 24 Exco members voting (Transparency International, 2014).

The American Exco member, Chuck Blazer, was commonly expected to vote for England as host for the 2018 World Cup. Evidently, he changed his mind at the last minute and voted for Russia instead (Pleasance, 2015). He admitted that he might have agreed to vote for Russia after receiving a trove of holiday snaps from Vladimir Putin, who also mentioned Blazer as his friend in his blog. Blazer also admitted that he and other Exco members were bribed in return of voting for the 1998 World Cup in France and the 2010 World Cup in South Africa. Blazer now cooperates with FBI regarding the investigation of corruption (Gibson & Lewis, 2015).

In May 2015, 14 FIFA officials were arrested due to the cooperation of this investigation. Nine of these officials were Exco members. The international investigation of bribes on behalf of the US authorities shows that there has been “acceptance of bribes and kickbacks” for \$100 million dated back to the 1990s. FIFA vice-president of the Cayman Island and head of FIFA’s North American regional body, Concacaf, Jeffrey Webb, was one of the arrested. The organization reported itself to US tax authorities in 2012, as they had not paid taxes for several years. Chuck Blazer was secretary general and Jack Warner its president during this period (Gibson & Lewis, 2015).

The former German World Cup player and Exco voter, Franz Beckenbauer, is one of the bigger names from the dossier. Beckenbauer is one of the Exco members who are currently under investigation by Garcia. A source from the England bid delegation has described Beckenbauer as “the most corrupt of the lot” and alleged that he was “completely in on the Russian bid” (The Sunday Times, 2014). Beckenbauer had close connections to the football consultants, Andreas Abold and Fedor Radman, which were believed to work for Australia and Russia. They allegedly told these bid nations that they would be guaranteed Beckenbauer’s vote for a multimillion-pound fee. Abold and Radman refused that Beckenbauer received any money, and both denied that they had offered to deliver Beckenbauer’s vote (The Sunday Times, 2014).

5.2. CORRUPTION IN FOOTBALL CLUBS

This subchapter will look at how officials in football clubs used corruptive behaviour to influence sportive results in their favour. The first case involves officials in Italy bribing referees, while the second involves match-fixing in favour of clubs in Turkey.

5.2.1. ITALY – THE CALCIOPOLI CASE

Over the past decades, Italian football has experienced several unfortunate and severe cases related to corruption. Two cases that have brought forth the greatest deal of public attention are “Calciopoli” and “Scommessopoli”. They refer to “City of football” and “Betting gate”. The search and greed for profit in both cases has truly pushed away the focus from the game itself. Instead, the focus was on law enforcement investigations where illegal actions have taken over (Di Ronco & Lavorgna, 2015). In this subsection, the focus is on the case of Calciopoli.

In the 2006 World Cup in Germany, Italy beat France and claimed their fourth World Cup title. However, this was not what received most attention in the sporting news that summer. During summer, an Italian match-fixing scandal shook the entire world of football. One of the major reasons why this scandal raised so much attention was because it included several of the biggest clubs in Italy. The scandal included the richest and most successful club in Italian history, Juventus. The scandal was based on team managers who bribed referees in order to manipulate match results (Distaso, Leonida, Patti, & Navarra, 2012) (Chadwick & Gorse, 2011).

The background for the Calciopoli scandal began in 2004. At that point, it was not only due to rumours regarding suspicion of manipulated match results. One of the rumours regarded suspicion of doping in the Juventus locker-room while the other contained suspicions of illegal betting and corrupt referees. This resulted in twenty months of widespread wiretaps of phones initiated by the Italian police. In the end, this turned out to be much bigger than expected (Basu, 2015) (Masters, 2015).

Prosecutors from the Italian Football Federation investigated 41 matches in the 04/05 season. Out of these 41 matches, 19 of them were in the top division, Serie A. They believed that an assembly of people collaborated in order to influence sportive results. However, little did they expect to find such a unification of football managers and referees where the relationship was well past what is normal between officials and teams. The prosecutors believed that this relationship had had an influence on the 41 matches (Distaso, Leonida, Patti, & Navarra, 2012).

The prosecutors turned to the national football authorities in February 2006 and realised that they were involved. The then prime minister in Italy, Silvio Berlusconi, was the owner of one of the implicated clubs, AC Milan. When Berlusconi was made aware of the situation, he turned down the prosecutors' allegations, because he was not interested in his club being investigated. The prosecutors therefore turned to the press, and hence the case was made public (Basu, 2015).

There had been several earlier events regarding match-fixing in Italy. An example was back in 1927, when Torino Calcio lost their championship due to club managers bribing a Juventus player. However, the Calciopoli scandal was on a different scale (Boeri & Severgnini, 2011). The evidence on who orchestrated Calciopoli was pointed against Luciana Moggi (Boeri & Severgnini, 2011) (Chadwick & Gorse, 2011).

Luciana Moggi was chief executive of Juventus from 1994 until he and the rest of the board in Juventus resigned in May 2006. Luciana Moggi, his son and Franco Zavaglia created a firm called Gea. The firm was created to influence the football market and to gain control over a great number of sports rights.

“In practice, according to Roman prosecutors, the power exercised by Gea World also manifested itself in market choices of the “controlled” clubs, via pressure to purchase certain players and appoint managers represented by Gea World, who then favoured the purchase of soccer players signed to the above-mentioned operations” (Baroncelli, 2006, p. 228)

According to Buraimo, Migali & Simmons (2014), club officials exerted pressure in three ways. The first regarded matches that were important for Juventus. In these matches, Moggi

exhorted pressure in order to be allocated referees who he knew would judge in favour of them. The second had similarities with the first, as some of the referees were encouraged to give Juventus the benefit of doubt during games. The third way was even more discreet. Referees in other matches would for example give key players a yellow or red card so that they would miss upcoming matches of importance – for example versus Juventus.

There was no definite visual evidence of match rigging. However, evidence stated that Moggi “had exerted pressure on referees, officials of the football federation and journalists, ahead of crucial matches involving Juventus or rival teams (Boeri & Severgnini, 2011, p. 351). Suspicion therefore remains that there has been match-fixing under the direction of Moggi since he took over in 1994 (Boeri & Severgnini, 2011).

“Moggi received or made an average of 416 calls per day. He had six mobile phones and 300 sim cards. In nine months, he made or received 100,000 calls” (Burke, 2006).

The concrete evidence against Moggi was the wiretapped phones. Even though it was – and still is, strictly forbidden, several of these calls were with those who selected match referees. Because of this, the investigation expanded to an entire year of wiretapping among all of those who were in charge of selecting referees². This was how AC Milan, Fiorentina, Lazio and Reggina joined the investigation (Chadwick & Gorse, 2011) (Boeri & Severgnini, 2011)³.

The wiretapped phones showed conversations where referees were threatened if they did not take bribes to judge in favour of a team. All of the involved teams except Reggina had direct or indirect control over the media. They used this as an advantage by saying that the referees’ reputation would be destroyed if they did not comply. This would exclude them from judging international matches, such as the Champions League and the World Cup (Boeri & Severgnini, 2011).

Serious concerns have been placed upon Italian football. Between 2001 and 2012, 37 clubs in Serie A had at least one experience of bankruptcy (Burke, 2006). “From being the best football tournament in the world, the Italian First Division (also known as Serie A), is getting

² Two of the recorded conversations between Moggi and the head of the referees’ association can be found in the appendix.

³ The final punishment can be seen at table 1 in the appendix

more and more marginal in the global arena” (Boeri & Severgnini, 2012, p. 1). After year 2000, things started to change as the number of star players in Serie A decreased. These players now moves to English and Spanish leagues, at the same time as the number of Italian clubs in the Champions League has been reduced from four to two. The deficit and debt have increased because of increasing salary and reduced gate revenues. The latter part is partly because of hooliganism (Buraimo, Migali, & Simmons, 2014).

5.2.2. TURKEY - FENERBACHE

Turkish football was in 2012 left in disgrace as 93 high-ranked officials were brought to trial due to allegations of match-fixing and bribes. The trial resulted in conviction for 21 of the accused, including Aziz Yildirim. Yildirim was the president of Fenerbahçe, one of the biggest clubs in Turkish history. Amongst the other 20 were Fenerbahçe’s vice-president, chief financial officer, legal adviser and sporting director (Kuyumcu, 2014). Other Turkish players and managers were also sentenced to prison. In addition, Fenerbahçe lost their right to play the UEFA Champions League the following season of 2011/2012, while Besiktas had to relinquish the Turkish Cup (Carpenter, 2012).

The scandal began in the same way as the Calciopoli scandal. It started with an investigation by Turkish police who wiretapped some of the most powerful men in Turkey (O’Connor, 2013). During the investigation, the police found a sophisticated assembly whom they believed to have collaborated in order to influence sportive results. As opposed to the Calciopoli scandal, it was no secret that match-fixing and corruption had taken place in Turkey over at least the last two decades. At Turkish matches, some fans were known to chant: “The government might collapse, inflation can go down, but Fenerbahçe can never be relegated” (BBC, 2012), (Kuyumcu, 2014).

In the centre of this scandal was Fenerbahçe. They are one of the four most successful clubs in Turkish history, together with Galatasaray, Beşiktaş and Trabzonspor. The match-fixing “included bribing players not to score or deliberately not saving a goal, and referee selection” (Abbott & Sheehan, 2013, p. 270). In total, 17 of Fenerbahce’ matches were of suspicious character and therefore investigated. Many of these accusations regarded match-fixing and bribing, and came due to Fenerbahçe winning 16 of their last 17 games in the 2010/2011

season. These victories led to Fenerbahçe securing the title in front of Trabzonspor by goal difference. In the end, 13 of the matches were proven to have been of a corruptive character. (Kuyumcu, 2014).

The 13 matches included seven of Fenerbahçe' own matches. In the other six matches, Fenerbahçe gave incentive premiums to the opponents of Bursaspor and Trabzonspor who were their biggest rivals for the championship. The incentive premium could be that a team would be rewarded if they rested their best players in some matches so that they would be refreshed for their matches against Bursaspor and Trabzonspor (O'Connor, 2013). In addition, through large payments to individual players, Fenerbahçe was believed to have bribed players.

During the trial in 2012, wiretapping revealed how Fenerbahçe used codes to fix games while trying to hide it in case they were caught.

“‘Buildings under construction’ referred to games in the process of being fixed; ‘goats in the field’ referred to players; ‘crops being watered’ were match fixing payments, and ‘ploughing, planting and sowing’ were efforts to fix games” (Abbott & Sheehan, 2013, p. 270).

However, the prosecutors found that many of the used agricultural expressions did not relate to the present farming season.

From an outside perspective, it seems as the investigation and final verdicts went smooth and correctly. However, Turkish people's belief in the political system has gradually faded away due to the suspicious political interventions at critical moments within this and other cases. The dissatisfaction and reason for little or no faith in fair play and justice in Turkish football can be explained due to interventions from the political circle. These interventions were looked at as being in favour of reducing the penalty for Fenerbahçe so that they would escape relegation (Kuyumcu, 2014).

There was especially one intervention that Turkish people had problems dealing with. Just before one of the official reports that exposed match-fixing came out, the Turkish Football Association reduced all sentences who mainly concerned match-fixing. Sentences regarding

general crimes in sports were also reduced, but this was believed to be a concealment and diversion. This was just months after the Turkish clubs had agreed to a sentence of 12 years if someone were found guilty of match-fixing. Members of the Turkish Parliament allegedly worked all night to do this, as they believed the sentences to be excessively strict (Carpenter, 2012).

Fenerbahçe-supporting journalists and newspapers allegedly forced through so that the sentence for relegation in cases of match-fixing would be changed. In previous cases from French and Italian football, both Juventus and Marseille faced relegation after they were charged of match-fixing (BBC, 2006). Kuyumcu (2014) further tells that Turkish people did not buy this as a coincidence. They ask for a consistent UEFA as UEFA indicates that they have zero-tolerance for corruption. The then president of FIFA, Sepp Blatter, said that those who engage in any type of corruptive behaviour should be banned for life (Vickers, 2011).

Fenerbahçe managed to get the Turkish Football Federation to reduce the sentences for match-fixing. They did this with good help from some newspapers and journalists who had close links to the club. Fenerbahçe knew that relegation would have serious economic consequences for them (Masters, 2015). They therefore managed to make the Turkish Football Federation believe that if Fenerbahçe were relegated, the economic impact on the Turkish football would be immense.

In the aftermath of lawsuits, the president of the Turkish Football Federation, Mehmet Ali Aydınlar, resigned due to outside pressure and criticism (Daily News, 2012). Aydınlar had close relations to Fenerbahçe, as he was a director of one of their academies. This close relation was therefore believed to have been one of the reasons why Fenerbahçe escaped relegation. One of the members of the Turkish Football Federation, whom dared to speak out regarding the scandal, said that “once you find out everything is set up, there is no point in watching it” (O'Connor, 2013).

Yildirim Demirören was the one who replaced Aydınlar. Demirören resigned as chairman from one of the other implicated clubs, Besiktas, in order to take this job. This made Turkish people lose even more faith that time for change with a new regime would come. Years after Demirören took over as chief, none of the implicated clubs had still been relegated (Kuyumcu, 2014).

One person who did not dare to testify in court was a player from Istanbul BB, Ibrahim Akin. According to intermediaries, he testified to have accepted a bribe of \$100.000 not to score a goal against Fenerbahçe. 21 of the in total 93 arrested officials, coaches and players were in the end found guilty of match-fixing. (O'Connor, 2013).

The point where the scandal evolves to a new level, involves Ali Kredi, who is director in a bank called Yapi Kredi. Yapi Kredi became the official bank for the Champions League in August 2011. Ali Kredi was the vice president in Fenerbahçe during the investigation back in 2010/2011, in addition of being a member of one of the wealthiest industrial families in Turkey (O'Connor, 2013).

Another shocking event came after a leaked voice recording between Erdogan and Erzik. Erdogan revealed that he could not have managed to get UEFA off the hook in saving Fenerbahçe from relegation without the help from Erzik. (Kuyumcu, 2014). It must also be noted “that UEFA vice-president Şenes Erzik – who is also a FIFA Exco member, and who admits on his FIFA profile he is a Fenerbahçe fan – has used his influence to ensure Fenerbahçe escape domestic punishment” (Kuyumcu, 2014). These facts made it hard for Trabzonspor fans and Turkish people believing not to be correlated.

Trabzonspor, who ended up as number two in the 2010/2011 season, still awaits justice in light of the scandal. UEFA is said to have zero-tolerance when it comes to corruption, but has not intervened directly. UEFA sent a mail to the Turkish Football Federation in August 2011, urging them to take prompt actions (Daily News, 2012). UEFA wrote that the Turkish Football Federation had to remove Fenerbahçe from the 2011/2012 Champions League. If not, UEFA would open an investigation where the penalty could be even higher.

However, Trabzonspor is still not satisfied even after receiving Fenerbahçe' spot in the Champions League. More than two years after the conviction of Fenerbahçe, UEFA had still not made any further actions against them. In addition, Fenerbahçe itself was excused for the actions made by its officials (O'Connor, 2013).

The Turkish Football Federation concluded that even though Fenerbahçe and Besiktas were punished, “alleged attempts to fix games had not altered the course of the matches” (Kuyumcu, 2014).

“Four days later, Turkey’s Professional Football Discipline Committee (PFDK) handed out punishments to officials, players, managers and employees of Fenerbahce, Beşiktaş, Eskişehirspor FC, İBB FC, Sivasspor and Bursaspor – but said that the clubs could not be blamed over individuals’ activities. So all the clubs were cleared” (Kuyumcu, 2014).

Even after all that has happened, Fenerbahçe is still where they have “always” been, at the top of the league. (Kuyumcu, 2014). Simultaneously, the Turkish Football Federation is still directed by the one who was chairman of the convicted clubs, Beşiktaş.

5.3. BETTING AND MATCH-FIXING

This subchapter explains how criminal organizations fix matches and bet on them. It also shows how to fix a game.

5.3.1. MATCH-FIXING

There is nothing new to the manipulation of sportive results in order to achieve profit is. What has not been presented is how criminal organizations uses corruption in order to secure a betting result.

Sanctis (2014) explains that 7% of the 27,000 football games played each year under the rules of UEFA, are suspected of manipulation. The fact that even Interpol, an intergovernmental organization that facilitates the cooperation of international police, has match-fixing on their radar, shows the magnitude match-fixing has reached (Haberfeld & Sheehan, 2013).

In recent years, football has been under sustained attack worldwide from organised crime, with criminal groups infiltrating clubs and football associations in order to entice players, referees and officials into manipulating the course of a football match – determining in advance the result or the dynamics of a game. Referees and players are tempting targets for match fixers because their decisions can significantly alter a game's outcome (Haberfeld & Sheehan, 2013, p. ix).

Norwegian Ministry of Culture (2013) defines match-fixing as manipulating a sports competition. This involves actors (athletes, coaches, managers, referees etc.) seeking to influence the outcome of the competition, or individual events during the competition in return of financial gain for themselves and others. There are three main forms of fixing a game; Match-fixing, Spot-fixing and Point-shaving. After a presentation of the three forms, the thesis will only refer to these forms as match-fixing.

Match-fixing simply means that one fixes the end-result (Norwegian Ministry of Culture, 2013). An example is a match from 2011 between Shelbourne Football Club and Sheriff Youth Club in the FAI cup. Up until the second half, Shelbourne was leading by two goals. However, during second half, Sheriff scored three goals that gave them the victory. What caused suspicion was that the last few days before the match and during the first half, large bets were put on Sheriff going out victorious (Petropoulos & Maguire, 2013). According to Goal (2012), a bookmaker from Kingbet underpinned the suspicion. He said there were bets that Shelbourne would lead up to half time, while Sheriff would go out victorious. As Sheriff was a non-league club, this was an unusual event.

Spot-fixing is the second form of match-fixing. This means manipulating single-events and certain actions to take place during a game. However, it does not necessary have a direct impact on the result (Norwegian Ministry of Culture, 2013). An example is a game between Shelbourne Football Club and Monaghan United in the Airtricity League of Ireland. There was placed irregular bets on the action of whether a penalty would be awarded to one of the teams. “Surprisingly” enough, a penalty was given (Petropoulos & Maguire, 2013). However, in this case the suspicion remained groundless. Both teams were informed of the unregularly bettings in front of the game, which meant that any suspicious activity regarding a penalty would be noticed (Darby, 2012).

If one compares the salary for players in Ireland with other leagues in Europe, one sees that Irish players have but a fraction of what top players in other leagues have. When one or a couple of players are then attempted bribed in order to fix the match, they will have an opportunity for making extra money. Due to the possibility of online betting, gamblers have an easier access and a wide variety of betting possibilities (Darby, 2012).

Point-shaving is the third form of fixing a match. This simply means manipulating the end-result, but not the match outcome. Players can be paid for not beating the opponent with more than ten goals, or to lose with more than three goals (Norwegian Ministry of Culture, 2013). This is a great problem within all kind of sports, and especially in basketball (Riper, 2014). Nevertheless, point-shaving is also a major concern in football.

5.3.2. HOW TO FIX A GAME

Hill (2009) discovered that successful corruptors go through five stages when arranging a fix. These five stages are: access, the set-up, the calling of the fix, the performance and the payment. He also found it essential that the corruptors can rely on networks ruled by either intimidation or trust.

An effective plan for arranging a fix is to put one player in charge of organizing a fixing network within his own team. This player knows far better than someone outside the club which players have the capability to affect the game, and who are willing to accept a bribe.

“Players in the network are frequently chosen not because of their playing capital or position but because of their social connections with the corruptor, who then knows about their potential corruptibility. It is this player, who generally does have high playing capital, who becomes the head of the fixing network inside the team. This method is seen frequently in the interviews” (Hill, 2009, p. 417).

The first problem that arises for a gambling corruptor is to get access to the players. If they do not have access, they cannot arrange a fix. Hill (2009) explains that there are two main ways to get in contact with the players, direct and runner-arranged contacts. Long-term corruptors, who are only working in domestic leagues, use a direct approach. They may try to establish an

environment where all players feel comfortable by starting a club or bar. They may also try to get themselves in some leading positions in the club. The most common practice though, is the runner-arranged contacts. This practice involves the corruptor to hire an agent known as runners, and thereafter try to establish access between them and the players. This approach depends on the trust and relationship between the agent and the corruptor, and makes it quicker to ensure and protects the corruptor from exposure.

How to approach the fix depends on what culture and social norms towards corruption a player has. In leagues with a high degree of corruption, discretion is not needed. A player, who agreed to play in a fixed game in Asia, was asked about the methods of approaches. He replied: “Oh, no, there was no subtle. They would just phone us up at the hotel and propose it over the phone” (Hill, 2009, p. 421). It is more difficult in leagues with a lower degree of corruption. Here the counterfeit intimacy method is frequently used. The corruptor will start to pretend that they are friends with the athlete and thereby uses this as an advantage to find their weakness. Hill (2009) refers to an interview with former New York Mafia capo, Michael Franzese, where he says: “you might approach [the athletes] or set them up with a woman. She would get pregnant or pretend to be. That would screw their game up. Or you would get them partying hard the night before the game” (p. 422).

If gamblers use their own names and are consistently successful when they bet, they can be banned from betting. The gamblers therefore use third parties and disguised names. The third parties are commonly known as “beards”, “mules” or “runners”. After the bets are placed and the corruptor has confirmation that the players have understood what to do, the corruptor now calls the fix (Hill, 2009).

The payment to the player will be clarified in front of the fix. The challenge is how the player can receive and use this without anyone knowing where the money came from. Hill (2009) says that over 70% of the payments to corrupt players are in cash.

5.3.3. THE SCOMMESSOPOLI CASE

Five years after the Calciopoli case, Italy was hit by a new shock wave. Italian police had arrested 16 people after suspicion of betting and match-fixing in 18 matches. The arrests included “ex-Serie A players, current players from both Serie B and Serie C, club directors from lower leagues and betting shop employees” (BBC, 2011). The investigation succeeded in generating evidence concerning an assembly who collaborated in order to manipulate sportive results. In the 18 investigated matches, one game was in Serie A while the other 17 were in Serie B and non-leagues (Callow, 2011). This scandal is referred to as the Scommessopoli case (Boeri & Severgnini, 2014)⁴.

In these investigated matches, hundreds of thousands of euros were bet. One of the players who the police brought forth was an Atlanta and former Italy player, Cristiano Doni. He was suspected of ensuring there would be scored at least three goals during a match against Piacenza in March 2011 (Callow, 2011). Wheeler (2012) tells there are many prominent current players, former players and managers who are under investigation. The Italian defender Dominico Criscito was left out of the Euro 2012 squad after the police searched his room. Juventus and Italy defender, Leonardo Bonucci, then Juventus coach and now coach for the Italian national team, Antonio Conte and once the world most expensive player, Christian Vieri, are among other prominent Italian profiles that are under investigation.

Di Ronco & Lavorgna (2015) explains how a criminal organization called Clan Contini, helped the Italian football club Callipoli to win a game against Real Marcianise. They did this by paying €50.000 to several of the players of Real Marcianise. This victory secured Callipoli’s promotion from Serie C to Serie B.

Forrest (2012) explains that someone within football with connections to the mafia are accused of using hundreds of thousands of euros to buy the desired result in Serie B, Serie C and non-leagues.

⁴ The appendix shows a comparison between Scommessopoli and Calciopoli.

5.3.4. THE BOCHUM CASE

The Bochum Case provides another example of a criminal organization influencing sportive results. The trial took place in 2011 in a German city called Bochum, where the defendants were found guilty of fixing 320 matches. The fixed matches took place in 12 European countries, primarily in Turkey, Germany and Switzerland. 287 of the 320 fixed matches took place in the lower leagues, while the last 33 involved international matches with national teams and clubs (Masters, 2015) (Feltes, 2013).

Suspicion of match-fixing originated as German police was in the middle of an investigation concerning drugs and prostitution. This led to the discovery of organised crime within football. The prosecutors used many resources in order to understand the nature of the fixing, including wiretapping. A lot of evidence attained by the new investigation showed that there were similarities with other cases where match-fixing are proven (Forrest, 2012) (Feltes, 2013).

Skallmo & Gjernes (2012) tells the story of how the criminal organization with Ante Sapina and Mario Cvrtak in charge, fixed matches all over Europe for many years. The “runners” were in several European countries and handed out money to football players, and then gambled on the fixed matches. Cvrtak had worked as a football agent and therefore had a broad network of contacts in football. Cvrtak made contact with players, officials and agents, while Sapina handled the financiering with the Asians. At one point, the organization had a collaborator within the referee selection panel in UEFA. This made it easier to manipulate and bet on those matches where they had selected their “own” referee (Forrest, 2012).

Sapina was in 2005 sentenced to prison for three years based on charges of football corruption. Bribing a referee was therefore not his first crime. Sapina earlier had a criminal network with links to illegal gambling networks in Asia. After the conviction, he rebuilt the network that became the centre of the Bochum case. They directed their attention against leagues where players and referees had a mediocre salary (Abbott & Sheehan, 2013).

Sapina has admitted that he had established contact with a referee in front of the 2010 World Cup qualifier game between Finland and Lichtenstein. The match itself had no impact on who

qualified. The agreement was that the referee would receive €40.000 if he made sure that two goals were scored during the second half. In the end, the result was 1-1. Both goals were scored during the second half where one of the goals came on a disputed penalty (Abbott & Sheehan, 2013) (Feltus, 2013).

Another example of a game proven fixed is the Euro 2008 qualification game between Norway and Malta where Norway won 4-0. Dagens Næringsliv (2012) explains that Cvrtak met with one of the Maltese players the night before the game. In this meeting, they reputedly discussed with how many goals Malta would lose. Cvrtak placed a bet of €70,000 that Norway would win with more than three goals after this meeting, which gave substantial odds. Cvrtak said he was pleased with the result after the game, but he wished that the result would be 5-0 or “even a higher one” (Malta independent, 2011).

The game started as usual. Norway had the ball, but struggled to find the opening. Then, in the last minutes of the first half, they managed to get the redeeming goal. The second half was just like the first. With 15 minutes left on the clock, Malta collapsed completely. They started doing incomprehensible things and did not look like themselves anymore. In the last 15 minutes, Norway scored three more goals. The commentator on Norwegian television was shocked and said in conjunction with a Norwegian attack: “They bear nothing now, and Bjørn Helge Riise gets fifteen minutes to swing it in” (Rørtveit, 2012).

Cvrtak was also found guilty in the Bochum case. TV2 (2012) tells that Cvrtak admitted that he bribed four players from Malta ahead of the match against Norway. According to The Daily Mail (2012), there were three players involved in the case, where UEFA only found enough evidence against one of them. Kevin Sammut received a 10 years suspension by UEFA after being found guilty of match-fixing (Balzan, 2012).

The organization operated in a way that was said to be “highly methodical and greatly varied, involving the purchasing of individual participants or entire clubs, the financing by criminal betting syndicates in Asia, and sometimes the organisation of ghost friendly matches” (Abbott & Sheehan, 2013, p. 270). The defendants were originally from Croatia, but lived in Germany. They earned large amounts of their profit in the Asian betting market as they manipulated football matches all over Europe.

“Criminal organizations decide to invest their own massive amount of liquidity obtained from their illegal activity into betting syndicates for money laundering purposes and at the same time to obtain a high return on investment. These syndicates use to diversify their investment asking match fixers to manipulate the number of goals scored, by bribing or blackmailing football players in order to obtain substantial revenues from the rigged matches” (Boeri & Severgnini, 2014, pp. 106-107).

Because of the immense liquidity in the Asian betting markets, the organization was able to bet as much as €36.000 on a fourth-division match in Turkey. The organization also used Asian betting firms because unlike European bookmakers, they have nearly non-existing limits on how one can bet (Bookmaker, 2016) (Feldes, 2013). The German prosecutors discovered that one could bet large sums on rather minor leagues in Europe. Sometimes one could bet up to €200.000 on a second-division match in Belgium. The potential profits made it attractive to bribe players and referees whom had a mediocre salary. Allegedly, the criminal organization paid €12 million in bribes that gave them a profit of €7.5 million in one year (Forrest, 2012).

The organization did not always try to fix the result of the game. Instead, they often focused on single actions during the game, such as a penalty or yellow card being awarded. The results and amount of goals during a match have the highest potential profit. Bets on penalty and cards can be easier to manipulate, but it is far less attractive as the potential profit is lower (Forrest, 2012). However, betting on single actions during games was a way to minimize the risk, as the media attention is lower on such actions (Boeri & Severgnini, 2014).

5.4. PREVENTION

Corruption is beyond doubt a substantial problem within sports and football. This thesis has identified corruption related to procurements, bribery and political corruption in connection to football. In this subchapter, potential solutions to prevent and minimize this will be explored.

5.4.1. PREVENTION IN FIFA

The FIFA organization seems to be more or less permeated of corruption. At the 26th of February 2016, FIFA's Member Association approved new reforms. These were designed to promote improvements to the governance of global football. This included a clear separation of commercial and political decision-making, and greater scrutiny of senior officials. 179 of the 207 Member Associations who were present supported the new reforms (FIFA, 2016). The Member Associations also elected the new president of FIFA at the same day as the new reforms were approved.

The election of a new president happened in the aftermath of the former president, Sepp Blatter's suspension from all sports. The new reforms are seen as more important than the election of the new president because they will add strict guidelines of how the president and other officials can exercise their influence. Exco will now be replaced by 36 members, which will form a new FIFA council (NRK, 2016).

Furthermore, FIFA (2016) explains that these reforms will be an essential step towards a modernisation of FIFA's institutional culture. They will make sure that there is a clear separation of political and management functions, a commitment towards enshrining human rights in the FIFA Statutes and disclosure of individual compensation. Issa Hayatou was the acting president of FIFA before the new election and the new reforms were made, and he said:

“These reforms are moving FIFA towards improved governance, greater transparency and more accountability. They mark a milestone on our path towards restoring FIFA's credibility as a modern, trusted and professional sports organisation. This signals the beginning of a culture shift at FIFA” (FIFA, 2016)

In front of the president election, two candidates stood out as favourites: Sheik Salman Bin Ibrahim Al Khalifa and Gianni Infantino. Sheik Salman is a much-disputed football official from Bahrain. He has been accused for human rights violations in Bahrain, and is part of the Royal family who rules the country. VG (2016) refers to the annual report from Amnesty International, who expresses concern about human rights violations, torture, and death-sentences without conviction. Mark Pieth is professor at the University of Basel and was

leader of the Independent Governance Committee in FIFA from 2011-2013. His work led to the new reforms in FIFA. He tells in an interview with Aftenposten (2016), the day before the election, that he was very concerned of Sheik Salman becoming the FIFA President. He said that Sheik Salman lacked all the needed values in FIFA: democracy, transparency and accountability. He also implies that Sheik Salman has “bought” votes from football associations in Africa and Asia, where the votes from Africa and Asia constitutes 100 of 209 in the congress.

Gianni Infantino was the UEFA General Secretary. He led the fight against threats to the integrity of football in Europe, which included match-fixing, discrimination and violence and hooliganism (FIFA, 2016). He has presented himself with all the correct themes, such as transparency, good governance and has supported the new reforms. Still, Sheik Salman was the favourite to be elected.

At the 16th of March 2016, FIFA was suing 41 former FIFA officials in an effort to reclaim millions of dollars pocketed illegally by corrupt football officials and former FIFA members. Among these are the former Exco members Chuck Blazer and Jack Warner, and the former vice president of FIFA, Jeffrey Webb (FIFA, 2016). Infantino, who won the president election, came with the following statement on behalf of FIFA:

“The convicted defendants abused the positions of trust they held at FIFA and other international football organizations and caused serious and lasting damage to FIFA, its member associations and the football community. The monies they pocketed belonged to global football and were meant for the development and promotion of the game. FIFA, as the world governing body of football wants the money back and we are determined to get it no matter how long it takes” (FIFA, 2016).

Furthermore, he tells that the money was meant to build football fields, buy football kits and to fund youth players and coach development. Instead, these dollars have been used for mansions and pools, jewellerys and cars and to lavish lifestyles for football and sports marketing executives.

5.4.2. PROBLEMS OF PREVENTION IN FOOTBALL CLUBS

Club owners and officials with great influence are those who are accused of corruptive behaviour in the cases of corruption in football clubs. The football associations and politicians in these respective countries have taken this issue excessively lightly. It seems to be more important for them to cover up and act like it is not an issue, instead of dealing with the problems that are related to corruption in football.

Silvio Berlusconi was the prime minister of Italy and the owner of AC Milan at the time of the scandal. He has been accused for turning down the prosecutor's allegations when AC Milan got involved in the Calciopoli case. As the prime minister, he had massive influence over the government and could manipulate the criminal justice system to "look the other way".

The Turkish football association reduced all sentences that mainly concerned match-fixing just before a report that was about to expose match-fixing was submitted. This implies that the Turkish association was more concerned about keeping Fenerbahçe and other clubs in position to match the top clubs from other leagues, than cleaning up their corruption problems. Luciano Moggi had in 2015 his prison sentence written off after his appeal against his role in the Calciopoli case. He was accused of two cases of sporting fraud and conspiracy. He was now acquitted from the two cases of sporting fraud, while the conspiracy charge expired due to the statute of limitations (Goal, 2015).

Another example illustrating the Federations being more concerned about maintaining their position was when the president of the Turkish Football Federation resigned due to outside pressure and criticism. The one who replaced him was the former president of Besiktas, one of the other clubs who was involved in the scandal. The vice president of UEFA also had tight connection to Fenerbahçe and used his influence to help the club escaping domestic punishment.

5.4.3. PREVENTION OF BETTING AND MATCH-FIXING

It is difficult to be sure whether a match is fixed or not. There are usually strong indications that a match is fixed, but not much concrete evidence. Internet has taken betting to a new level compared to what it was before. One can place bets on almost anything in every country, such as betting on a game in lower division in Norway while being stationed in Germany.

Norsk Tipping is a government-owned limited company under the direction of the Ministry of Culture in Norway. They have acknowledged that match-fixing is a huge international problem. Therefore, they have implemented some measures in order to prevent this and make it more difficult to bet on fixed matches. Norsk Tipping (2015) tells that the regulation of money games in Norway is designed to prevent undesirable gambling behaviour, hence decrease the incentives for fixing a match.

These measures have resulted in a national plan of action against match-fixing in sports. The Ministry of Culture has developed this plan in collaboration with the Norwegian Confederation of Sports, Norwegian Football Association, the Norwegian Lotteries and Gaming System, Norsk Tipping, and the Ministry of Justice and Public Security. The main goals of this action plan are to prevent, reveal and react on match-fixing. This is done in order to support the fundamental values of sport, maintain a safe and credibility betting market and reducing international organized crime (Norwegian Ministry of Culture, 2013).

The plan of action contains national legal provisions that can be applied on match-fixing. These provisions are laws of fraud, corruption, financial fraud and compulsion. The plan is also to increase the knowledge about match-fixing, which starts with an acknowledgment of the extent and severity of the problem. There are several measures for increasing the knowledge. Typical measures are post update information and links to other organisations that fights against match-fixing. The Lotteries and Gambling System has also made a forum where Norsk Tipping, the police and other public authorities exchanges knowledge and expertise. The Norwegian Football Association has in collaboration with other national federation's responsibilities of identifying whether players and officials are familiar with the regulations of sport, and their knowledge of match-fixing in their respective environments.

Criminal organisations are primarily the main actors in match-fixing. However, all match-fixing requires a complicity of players, coaches or other football officials. All members of Norwegian Sport should therefore be aware of the fundamental values of sport, based on this knowledge. The values will be integrated through daily work of consciousness rising towards players and coaches (Norwegian Ministry of Culture, 2013).

Norsk Tipping has a set of rules that gamblers must follow, made by the Ministry of Culture in 2015 and have statutory authority. These rules include limits on how much money one can gamble on a set of games or events, and how high the profit can be. Games that include a profit over 300,000 Norwegian kroner will be rejected (Kulturdepartementet, 2016).

6. COMPARATIVE ANALYSIS

The comparative analysis is split into four subchapters. There will be a comparison of the mechanisms, actors and drivers between the various scenarios and cases. In addition, mechanisms of prevention will be illuminated.

6.1. MAIN MECHANISMS AND ACTORS

In this subchapter, the focus will be on displaying the main actors and mechanisms in the different cases.

The first part will compare the allocation of the 2018 and 2022 World Cup to respectively Russia and Qatar. The second part will compare the match-fixing cases from Italy and Turkey, while the third part will compare and display how criminal organizations fix matches. The fourth and final part will exhibit similarities and attempt to develop a basic understanding on what the main mechanisms within corruption in football are, and who the main actors are.

6.1.1. FIFA

There are several similarities between the allocation of the 2018 and 2022 World Cup. The greatest similarity is that high-ranked officials abused their legal duty and public position in order to gain an undue advantage. They gained this undue advantage by approaching Exco members before they voted for the country they thought was most fitted to host. After the allocations, there have been judicial proceedings due to allegations of illegal payments in order to attain votes from the Exco members. The FIFA files, obtained by The Sunday Times, revealed how high-ranked officials used bribes in order to secure votes from one or several of the Exco members. These files will hereby be referred to as the dossier.

Exco is an organization within FIFA, where its 24 members are the players of the game. These members make the rules of the game where they define the norms and rules about what is allowed and accepted. The FIFA institution has a predominance of members from countries with high corruption, but there are also members from perceived cleaner countries. It seems

that members from the perceived cleaner countries are playing after the same rules as the other, and that is a common understanding of what the rules entails.

In front of the bid competition, FIFA made a bid evaluation report on every applicant nation (Manfred, 2014). Qatar was given a significant higher operational risk compared to USA, which was made available for the Exco members. Therefore, it is understandable why the Qatari bid committee saw it necessary to bribe several Exco members to cloud their vision and making them believe that Qatar was the best applicant nation.

Because the temperature surpasses 37 degrees Celsius during summer, the 2022 World Cup will be played during winter (WeatherSpark, 2016) (Youd, 2014). However, this was decided after the allocation. It therefore seems like hosting an outdoor sportive event in intense heat was not a concern for those who voted for Qatar. This was one of the reasons why a corrupt practice and vote rigging were suspected.

Bribery is one of the main tools in corruption. The Legal Information Institute (2016) says, “Bribery refers to the offering, giving, soliciting, or receiving of any item of value as a means of influencing the actions of an individual holding a public or legal duty”. The World Bank (2011) refers to this as a “corrupt practice”. Transparency International (2004) claims that political corruption occurs when someone abuses their position to maintain power, wealth and status. People or organizations can “buy” votes by offering money, gifts and donations “under the table”. This is especially normal in countries where the democratic institutions are weak, and where the political focus is on private interests rather than public benefits.

The members approached by Bin Hammam in the Qatari case were top leading football officials in their representative nations. The dossier showed that total payments of \$5 million were made to create a basis of support. Bin Hammam also provided African voters with lavish junkets, gifts, private jets and other lucrative benefits. Graeff (2005) tells that gifts are commonly given in countries where the formal principal- agent or agent-client relationship is regarded abnormal or false. This typically applies in Asian and African countries, such as the countries represented here. Four of the Exco members were from African nations. Emails showed how those from Botswana, Ivory Coast and Namibia expressed their gratitude for the great hospitality the Qatari delegation gave them and their family with a trip to Doha.

Another example was how Jack Warner received \$450,000 from Bin Hammam before voting for Qatar's World Cup bid. Warner and the African Exco members thereby violated FIFA's code of ethics, which says that officials must not "Offer, promise, give or accept any personal or undue pecuniary or other advantage in order to obtain or retain business or any other improper advantage to or from anyone within or outside FIFA" (FIFA, 2012, p. 19). These examples indicate that the Qatari bid delegation bought votes in exchange for money, gifts and donations "under the table". It also indicates that bribery and a corrupt practice took place.

Bin Hammam also used his public position to influence the Russian bid for the 2018 World Cup. He was willing to swap votes for their bid in order to get Exco members support for the 2022 Qatar bid. The dossier shows that Vitaly Mutko wrote a letter to Bin Hammam, where he expressed his gratitude for the friendly and candid discussion in Doha with his bid colleagues. Doha was the same place as the other Exco members were sent to in order to secure their votes. This gives a valid indication concerning a collusive practice between the Russian and Qatari bid committee, in order to get support for their World Cup bids (World Bank, 2011).

According to World Bank (2016), bribes can be used to influence government contracts, government benefits and licenses. Huge monetary payments to high-ranked officials are often used in public procurements, which is associated with grand corruption. Firms can influence the government with bribes to politicians and bureaucrats in order to let them supply goods and services. Mauro (1997) explains that exclusive rights to the exploitation of a natural resource can be an example of this.

The dossier shows how Bin Hammam influenced government contracts. He led the Thai Exco member, Worawi Makuda, and his team into talks regarding a major gas deal with members of the Qatari royal family and top Qatari government officials. The deal was made four months before the Exco members gave their vote during the allocations of the World Cup in 2018 and 2022. This arrangement has been seen as a crucial element for Thailand as they saved several million dollars. Mauro (1997) says that groups or individuals in certain situations can offer officials bribes where the purpose is to lower a price of some goods below its market value. This is a clear example of political corruption and the abuse of public office as someone with entrusted power extorted or accepted a bribe. It also illustrates a collusive practice as Bin Hammam, members of the Qatari royal family and top Qatari government officials collaborated in order to secure Makuda's vote.

Subsequently, this led to many questions concerning how Qatar used their “energy muscles” in order to secure votes. Furthermore, both Qatar and Russia were suspected of having a relationship with the Gulf States. The relationship allegedly entailed exclusive rights to the exploitation of gas in exchange for votes. In the Gulf States, the government instructed their football associations to do as they were told.

A similar case was uncovered in the Russian bid process. An investigation showed that Amos Adamu had told undercover reporters that he was offered “co-operation” from the Russian bid delegation in exchange for his vote. This “co-operation” included construction of infrastructure, such as football facilities in native Nigeria. Adamu and Reynald Temarii were both banned from all football associations after they were found guilty of violating bribery rules considering the Russian bid. The World Bank (2011) refers to those situations as a corrupt practice.

The process of Qatar and Russia being allocated the World Cup are cases of misusing public procurements. Monetary and non-monetary payments were made to high-ranked officials to secure hosting rights. Chadwick & Gorse (2011) refers to this as vote rigging. These payments were business transactions that took place both national and international, and give a clear sign of bribery.

The findings in these two cases show that it is not only football officials involved. Top governing leaders in various countries have used their influence and power to put pressure on Exco members to do what is desired. Nicolas Sarkozy allegedly played a vital role in the matter of making Michel Platini vote for Qatar, despite the fact that Platini acknowledged he planned voting for the United States’ 2022 World Cup bid. Suspicion was raised as he allegedly changed his mind after a meeting with Sarkozy and senior Qatari officials in November 2010. Sarkozy thereby abused his position to persuade Platini to give his vote to Qatar, as this would be beneficial to him. In return, Qatar Sport Federation bought Paris Saint German, which was exactly what Sarkozy wanted. Transparency International (1997) defines this as political corruption.

To this day, none concrete evidence support suspicions of monetary payments and bribes. However, it is hard to believe that Platini reputedly changed his mind on his own as the

dossier also revealed a relationship between him and Bin Hammam. One month before his meeting with Sarkozy and senior Qatari officials, he personally met the Qatar bid committee in Switzerland. Bin Hammam arranged this himself, and Platini dined privately at a restaurant with one of the crown princes of Qatar. The man in charge of the bid committee was one of the crown prince's brothers. This indicates some sort of a corrupt practice and political corruption, where Platini's vote was bought in order to secure deals between France and Qatar.

In the Russian case, Vladimir Putin has been involved in several ways. Putin engaged several oligarchs to secure votes, where the most known oligarch was Roman Abramovich. Abramovich allegedly used his influence to pull the team around Exco members in the "right direction" (Calvert & Blake, 2014). Putin is the most powerful man in Russia and one of the most powerful men in the world. Because of this, it is understandable that the approached oligarchs were afraid of potential reprisals if they failed to comply. Putin's involvement therefore refers to a coercive practice, as he told them to do something in order to achieve an improper purpose (World Bank, 2011).

There have been raised suspicions of the role the then president of Barcelona FC, Sandro Rosell, played in the matter of securing the vote from Ricardo Teixeira. Rosell is suspected of making a deal with the Qatari team that involved him to pay off Teixeira. Qatar would in return make a multibillion sponsorship with Barcelona FC. This situation is based on specific rather than general information about the actors, and the relationship is then based on trust. The Qatari team would not have the possibility to approach Rosell this way if there was not a trustworthy relationship. It is necessary with reciprocal trust, as both actors must believe that the other actor will fulfil his part of the deal. The time lag is a crucial element because it will take time before Rosell can be sure that the Qatari team holds up their part of the deal (Coleman, 1990). If $\frac{p}{1-p} > \frac{L}{G}$, Rosell will accept the corrupt offer and trust that they will hold up their part of the deal (Graeff, 2005).

Many of the Exco members from 2010 are from nations with a low score on the corruption perception index (Transparency International, 2015). Namibia, Ivory Coast and Caribbean are all countries with a score below 50 on the corruption index, which means corruption is a substantial problem. Corruption increases in countries where inflation waves rapidly, the

regularity system is complex, where there are various culture and religions and when the social capital measured as general trust decreases (Bjørnskov & Paldam, 2005). These are recurring factors in those countries. According to Shalvi (2016), exposure to corrupt environment corrupt the individual, and Graeff (2005) says that the decision of making a corrupt exchange is then easily made because the norm already structures the situation. Mauro (1997) also states that there are sociological factors where exposure to corrupt environments correlates with the propensity of adapting corruptive behaviour. These factors can make the officials from those countries more adaptive to corruption, and thereby make FIFA more exposed.

However, representatives from perceived cleaner countries are also under suspicion. Some of them are banned for irregularities related to corruption and violation of FIFA's own ethical rules. Franz Beckenbauer, Michel Platini and Chuck Blazer are respectively representing Germany, France and USA, initially countries with a low degree of corruption. Even Sepp Blatter comes from a country that is considered very clean with respect to corruption, Switzerland. This implies that they do not come from countries where the corruptive norm structures the situation. Nevertheless, they are all part of the same institution in FIFA, where several of the members come from countries with high degree of corruption. This can lead to a corrupt environment in this institution. When these officials are exposed to this environment, they can be more adaptive to corruption (Shalvi, 2016).

According to Transparency International (2015), the impact of corruption will be higher in developing countries compared to countries in Northern Europe. Poverty and lack of transparency characterizes most of these developing countries. This is correlated with an increased likelihood to adapt a corruptive behaviour. The monetary gains of corruptive behaviour can be huge in these countries. As shown in the corruption perception index, there is significant predominance of Exco members from nations where corruption is a problematic issue.

Jennings (2011) shows in his article that the absence of transparency and accountability from IOC and FIFA correlates with the propensity for corruption. A report from Transparency International (2015) shows the absence of transparency and accountability in international football:

- *81 per cent of FAs have no financial records publicly available*
- *21 per cent of FAs have no websites*
- *85 per cent of FAs publish no activity accounts of what they do*

(Transparency International, 2015, p. 4)

This report shows a strong correlation between the absence of transparency and accountability and a low score on the corruption index. Does that mean that the Exco institution would be less corrupt if there was a predominance of members from the Western World, where there are more transparency? Initially, it would be easy to say yes. It is easy to think that an organization whose members are from perceived cleaner countries would be less adaptive to corruption. However, the facts from these cases tell that it is not that simple.

6.1.2 FOOTBALL CLUBS

This subchapter will discuss how high-ranked officials in Italian and Turkish football clubs influenced sportive results in their favour.

A definition of corruption in sports that fits well with the comparative analysis is that “corruption in sport equates to the deviation from public expectations that sport will be played and administered in an honest manner” (Masters, 2015, p. 113). Instead of following FIFA’s code of conduct, the leaders of the clubs involved in the Calciopoli and Turkish case made their own rules of the game (North, 1991). They manipulated, bribed and were involved with political corruption.

In the Calciopoli case, Luciana Moggi “exerted pressure on referees, officials of the football federation and journalists, ahead of crucial matches involving Juventus or rival teams” (Boeri & Severgnini, 2011, p. 351). Juventus was thereby assigned referees that made sure they would win certain matches or that results in other matches would be beneficial for them. Exerting pressure is what World Bank (2011) defines as coercive practice. The Calciopoli case also includes several of the best-known Italian commentators, high-ranked officials, and several players from the Italian 2006 World Cup squad (Burke, 2006).

The corruption took place in three concrete ways. The first regarded matches that were important for Juventus. Here, Moggi used a coercive practice in order to be allocated referees he knew would judge in their favour. The second had similarities to the first, as referees were encouraged to give Juventus the benefit of the doubt during matches. The third way was even more discreet. Referees in other matches would for example give key players a yellow or red card so that they would miss upcoming matches of importance – for example against Juventus.

In the Turkish case, Aziz Yildirim and 92 high-ranked officials were brought to trial due to accusation of match-fixing. The investigation, that included wiretapping, showed a sophisticated assembly collaborating in order to influence sportive results. This is similar to the Calciopoli case, where wiretaps were used to obtain evidence towards match-fixing. The match-fixing “included bribing players not to score or deliberately not saving a goal, and referee selection” (Abbott & Sheehan, 2013, p. 270). The investigation concluded that 13 matches in the 2010/2011 season were fixed (Carpenter, 2012).

The 13 matches included seven of Fenerbahçe’ own matches. In the remaining matches, Fenerbahçe gave incentive premiums to the opponents of Bursaspor and Trabzonspor. The incentive premium could be rewarding teams if they rested their best players in some matches. The players would then be completely refreshed for matches against Bursaspor and Trabzonspor (O’Connor, 2013). In addition, Fenerbahçe was believed to have tried to bribe players. One person who did not dare to testify in court was Ibrahim Akin. According to intermediaries, Akin testified to have accepted a bribe of \$100.000 not to score a goal against Fenerbahçe. If Akin made a false statement to the investigators, he engaged in an obstructive practice (World Bank, 2011).

During the trial in 2012, wiretaps revealed that Fenerbahçe used codes to fix matches. “‘Buildings under construction’ referred to games in the process of being fixed; ‘goats in the field’ referred to players; ‘crops being watered’ were match fixing payments, and ‘ploughing, planting and sowing’ were efforts to fix games” (Abbott & Sheehan, 2013, p. 270). However, the prosecutors discovered that many of the agricultural expressions did not relate to the present farming season.

These paragraphs shows how Fenerbahçe and Juventus deviates from the public expectation that sport will be played and administered in an honest manner (Masters, 2015). “Playing sports” refers to the preparation and the competition, or the match itself. This means that during the preparation before matches, Juventus and Fenerbahçe acted in ways that prevented the game from being played in an honest and equitable manner. Transparency International (2015) states that corruption in sport comes in many forms. Referees and players can accept bribes in order to fix matches, which have been a fact in these two cases.

The State Secretariat for Economic Affairs (2008) states that:

“Corruption means any abuse of a position of trust in order to gain an undue advantage. This involves the conduct of both sides: that of the person who abuses his position of trust as well as that of the person who seek to gain an undue advantage by this abuse”

Both Yildirim and Moggi abused their position as chief executive and president of their respective clubs in order to gain an undue advantage. As top leaders, they both held a position of public and legal duty, which they abused in order for their teams to gain advantages during matches (World Bank, 2011).

Both “officials and players” (FIFA, 2012) are bound by FIFA’s code of ethics. Officials and players must not conduct actions related to their official activities and activities that are conflicting with their obligations. Players and referees who accepted and received bribes, engaged in corruption as they gained an undue advantage by Yildirim and Moggi’s abuse (World Bank, 2011).

Unlike the case from Turkey, Moggi and his accomplices used a coercive practice by threatening national referees to judge in their favour (World Bank, 2011). If they failed to cooperate, the consequence for the referees was that their reputation would be ruined. Moggi and his accomplices could do this by making sure that the referees would never be able to judge international matches, like the Champions League and the World Cup. This is also a factor where the two cases vary. While the Calciopoli case primarily contained bribery of referees, the case from Turkey “included bribing players not to score or deliberately not saving a goal, and referee selection” (Abbott & Sheehan, 2013, p. 270).

Transparency International (2004) includes political corruption. This is interesting in this analysis in order to understand the extent of corruption that lies within football. Both cases include political interference, but it was more prominent in the Turkish case.

The problem with political interference in football is that it can create severe problems for a country if the public loses its faith in football. Football is a sport that “in general has the power to teach some of life’s most important lessons about the value of honesty” (Transparency International, 2016). It symbolizes fair play all around the world and provides a release from everyday life. The public can lose faith that institutions and organizations in general can be trusted if they believe what they are seeing is fixed.

As the investigation regarding the Calciopoli scandal emerged, wiretapping showed how AC Milan was involved. In February 2006, the prosecutors turned to the national football authorities. Berlusconi was not interested in his club being investigated and therefore tried to stop them. He knew that if AC Milan went to trial, the consequences could be that they would be punished both monetarily and in form of exclusion from the Champions League. This could mean a massive loss of profit and status. As stated by UEFA (2015), a total of €1,257 million was distributed to the participants, and €112 million to countries who had at least one participant. Berlusconi thereby abused his position as prime minister to gain an undue advantage, both in favour of Italian football and AC Milan.

The political interference in the Turkish case was more extensive. It involved the Turkish Football Association, its president Mehmet Ali Aydınlar and the Turkish president, Tayyip Erdogan. Aydınlar was exposed to a lot of outside pressure and criticism for the fact that Fenerbahçe was not relegated after trial. Some of the critique came because Juventus and Marseille were both faced with relegation after their charges of match-fixing. Aydınlar was director of one of Fenerbahçe’s academies, which means that any consequence affecting Fenerbahçe would also affect him. This means that his involvement was an “abuse of public office for private gain” (World Bank, 2016).

There were also other reasons for criticism and pressure against Aydınlar and the Turkish Football Association. During the investigation, they reduced all sentences concerning match-fixing. This included the proclaimed harsh punishment of relegation if match-fixing was

proven. In addition, the “UEFA vice-president Senes Erzik – who is also a FIFA Exco member and who admits on his FIFA profile he is a Fenerbahçe fan, has used his influence to ensure Fenerbahçe escape domestic punishment” (Kuyumcu, 2014).

The scandal reached a new level due to a leaked voice recording between Erdogan and Erzik. Erdogan revealed that he could not have managed to get UEFA off the hook in saving Fenerbahçe from relegation without the help from Erzik. This is another example of political corruption as Erdogan and Erzik used their entrusted positions to save Fenerbahçe from relegation. Political interventions at critical moments made it hard for Turkish people to believe that they did not have any political and monetary motives. It also undermines what Turkish fans are known to have chanted; “The government might collapse, inflation can go down, but Fenerbahçe can never be relegated” (BBC, 2012). This states that the consequence of this collaboration weakened Turkish people’s faith of the political system.

Italy and Turkey have a score of respectively 44 and 42 on the corruption perceptions index (Transparency International, 2015). This means that both countries have large challenges related to corruption. The corruption index rank Italy and Turkey just as corrupt as the African nations Senegal and Swaziland, countries that are traditionally looked upon as more corrupt (Day, 2015).

Italy is facing serious problems related to corruption, and The Telegraph (2015) writes that Rome is not able to handle it. Business Anti-Corruption Portal (2015) tells that there is a very high risk of corruption with public procurements. An example is infrastructure, as it involves large resources and exposes companies to organised crime. Corruption is considered common in Italy’s public procurements, and it is reported by companies that favouritism taints the decisions of procurement when awarding contracts. Financial Guard of Italy states that one out of three public contracts contained irregularities.

In Turkey, corruption is widespread in public and private sectors. Public procurement, politics and construction projects are highly exposed to corruption, where bribery is a commonly used tool. The anti-corruption authorities in Turkey are ineffective, and the anti-corruption laws are poorly enforced (Business Anti-Corruption Portal, 2015).

The main thing that separates the cases is the final consequences and punishments. As stated in the appendix, Italian teams were punished hard with Juventus' relegation. Luciano Moggi was never allowed to engage in any football relating activity in the future, in addition to prison for two years and four months. However, in 2015 Moggi's prison sentence was written off. He took his appeals to the highest Italian court and was acquitted for his charges of sporting fraud and conspiracy, which were two of his three charges (Goal, 2015). It must be mentioned that the last offence expired due to the statute of limitation, meaning that Moggi was never proven 100% innocent.

In Turkey, Fenerbahçe only lost their spot in the following season of the Champions League while Besiktas had to relinquish their victory in the Turkish cup. However, the then president of Fenerbahçe is still the president regardless of the trials (Carpenter, 2012) (Kuyumcu, 2014).

In both cases, there were several teams investigated and sentenced, in addition to Juventus and Fenerbahçe: AC Milan, Fiorentina, Lazio and Reggina in Italy and Besiktas, Eskişehirspor FC, IBB FC, Sivaspor and Bursaspor in Turkey (Kuyumcu, 2014) (Chadwick & Gorse, 2011).

6.1.3. BETTING AND MATCH-FIXING

This following quotation by Haberfeld & Sheehan (2013) provides a short, valid and thorough explanation of match-fixing and corruption:

“In recent years, football has been under sustained attack worldwide from organised crime, with criminal groups infiltrating clubs and football associations in order to entice players, referees and officials into manipulating the course of a football match – determining in advance the result or the dynamics of a game. Referees and players are tempting targets for match fixers because their decisions can significantly alter a game's outcome” (p. ix).

Two cases that involve match-fixing are Scommessopoli and the Bochum case. Scommessopoli involved illegal gains for the main fixers of the game - criminal

organizations, which came from betting markets. A police investigation succeeded in generating evidence that there had been an assembly who collaborated to manipulate sportive results where there had been bet hundreds of thousands of euros (Boeri & Severgnini, 2014).

A criminal organization called Clan Contini used bribery in order to secure the victory for Callipoli against a match against Real Marcianise. In front of the match, a deal was made that several of the Real Marcianise players would be paid €50,000 (Di Ronco & Lavorgna, 2015). A football player is prohibited from engaging in any sort of activity that would require him to act against his own team. The Legal Information Institute (2016) says that bribes can refer to receiving any item of value that influences the action of a person holding a legal duty. World Bank (2011) defines this as a corrupt practice. As some of the players of Real Marcianise received money in order to lose the game, it indicates that they broke their legal duty and engaged in corruption.

The focus in the Scommessopoli case was on prominent Italian football profiles that were involved in the fixed matches. The focus in the Bochum case was on the actors behind the fix. Defendants from a criminal organization were in the Bochum case found guilty of fixing 320 matches. The matches took place in 12 European countries, primarily in Turkey, Germany and Switzerland. In order to get a profit, the organization directed their attention against leagues where players and referees had a mediocre salary (Forrest, 2012). Evidence provided by the investigation showed similarities and correlation between Bochum, Scommessopoli and other match-fixing scandals involving organised crime.

Ante Sapina and Marijo Cvrtak were the two main leaders in the criminal organization investigated in the Bochum case. Ahead of Malta's Euro 2008 qualification game against Norway in 2007, Cvrtak placed a €70,000 bet that Norway would win with more than three goals. This bet was given substantial odds and Cvrtak has admitted that he bribed four of the Maltese players (Skaalmo & Gjernes, 2012). Sapina has also admitted to engage in corrupt practice in order to ensure profit. Sapina made a deal with the referee in front of the 2010 World Cup qualifier game between Finland and Lichtenstein. The referee would receive €40,000 if he made sure that two goals were scored during the second half (Abbott & Sheehan, 2013).

Sapina and Cvrtak were both engaged in collusive practice, as their organization made arrangements to achieve an improper purpose (World Bank, 2016). They fixed matches all over Europe by improperly influencing the actions of another actor. In addition to this, they used “runners”. The runners travelled around in Europe, bribed football players, and then bet on the matches that they had influenced (Hill, 2009).

The definition of corruption from The State Secretariat for Economic Affairs (2008) provides a valid definition. When abusing a position of trust in order to gain an undue advantage, it is corruption. From the cases regarding Scommessopoli and Bochum, the evidence shows that players who were holding a legal duty not to engage in corrupt practice abused their legal duty by receiving monetary payments.

By using the same definition, corruption can be seen as an exchange of favours or benefits between two parties. As the organizations made payments to players in order to gain an undue advantage within betting, there was a case of bribery. Both sides were involved, as those offering and giving the bribe gain an undue advantage while the people receiving the bribes abused their position of trust and legal duty.

As discussed in the Calciopoli case, corruption is a problematic issue in Italian football. Italy has since 1861 been influenced by the mafia and has huge problems related to corruption. There are still substantial problems where corruption, such as bribery, theft and political corruption are highly prevalent.

As for the Bochum case, it is a bit different. The defendants in this case are from Croatia while they lived in Germany. Croatia has a score of 51 on the corruption index while Germany scores 81, which means that especially Germany is perceived clean (Transparency International, 2015). The players are from all over Europe, exemplified with the match between Norway and Malta. Malta has a score of 56 on the corruption index, which means they are perceived cleaner than both Italy and Croatia.

Although Croatia is perceived cleaner than Italy, they still have major problems concerning corruption. Even the former prime minister of Croatia, Ivo Sanader, is under investigation for embezzlement, bribery, corruption and influence peddling. It is a low degree of transparency and openness in this country, and it is said that political connections and bribery are necessary

for personal advancement. It is a gangster regime, which are not only stunting the countries development, but also drains out of precious energy and treasures (Washington Times, 2010).

The extent is one of the things that separate the two cases, and why more empirics were found in the Bochum case. In Scommessopoli, 18 matches were investigated and proven guilty while 320 matches were proven guilty in the Bochum case. Unlike Bochum, Scommessopoli took place in just one country. The Bochum case took place in 12 European countries and affected international matches involving national teams and clubs.

In both cases, criminal organizations bribed and in some situations even threatened players to fix matches. Another similarity is where the match-fixing took place. In both cases, it took place in lower divisions. In Scommessopoli, 17 of the 18 investigated matches took place in Serie B, Serie C in addition to non-leagues. In the Bochum case, 287 of 320 matches took place in the lower leagues of the 12 European countries.

6.1.4. COMPARISON OF MAIN ACTORS

In this subchapter, there will be a comparison of the main actors across the three different scenarios where corruption in football has been identified.

In all cases, high-ranked officials are offering items of value. The items of value can be monetary and non-monetary, and are offered in order to gain an undue advantage. Those who are approached are officials from countries where norms structure situations related to corruption. These officials come from countries where the infrastructure such as football facilities is poor and the economy is weak. However, there are also officials from countries where norms do not structure the corruptive situation. An example of this is Platini from France, who abused his entrusted position. This also applies with the referees from Italy. These officials often have a lot to lose if they do not comply, such as being deprived access, power or influence.

Representatives from nations with a low score on the corruption perception index are those who have been the active part by approaching other actors. Most of the actors who abuse their position come from environments influenced by corruption. However, this does not always

comply. There are officials from countries where there are perceived both high and low degree of corruption who have been accused for accepting bribes and voted based on personal gains. Officials from perceived cleaner countries have also been the active part, such as Franz Beckenbauer from Germany. What characterize these officials are that they are a part of an institution or an environment with high degree of corruption.

In the FIFA and club cases, politics and politicians have been deeply involved. The president in Turkey and the then prime minister in Italy both tried to ensure that the clubs did not get a severe punishment after match-fixing was proven. Italy and Turkey have great problems related to corruption, where criminal organisations as the Mafia reigns. Vladimir Putin, Nikolas Sarkozy and the Royal family of Qatar abused their political influence for personal gains. They used their influence to exert pressure and secure votes from the Exco members. France and Qatar are perceived quite clean concerning corruption, yet they are comprehensively involved.

The main actors involved in the cases of betting and match-fixing differs slightly from the others cases. These cases involved people without any connection to a football club or football association. Criminal organizations seeks out players and bribe them to perform the desired action, such as making sure that their team will lose with more than three goals. After this arrangement is made, they bet on these certain results or actions to take place. The actors are identified as the Italian mafia and Italian players. The actors in the Bochum case have their origins from Croatia, which is perceived cleaner than Italy, but still have many problems related to corruption, such as criminal organizations.

CONSIDERING PROPOSITION 1

There is a correlation between corruption in organizations related to football and actors who have their background from countries that are perceived highly corrupt. However, the actors from perceived cleaner countries will also be affected by the environment and institutional norms they are exposed to. This makes them more adaptive to corruptive behaviour as well. It seems that exposure to corrupt environment indeed corrupt the individual, which is supported by (Shalvi, 2016).

6.1.5. COMPARISON OF MAIN MECHANISMS

This subchapter will try to exhibit similarities and attempt to develop a basic understanding on what the main mechanisms within corruption in football are.

Bribery is one of the main tools of corruption, and is always conducted on two sides. One individual or a group gain an undue advantage through the abuse of entrusted power, whilst the other profit on that abuse. When exhibiting similarities between the cases, one can see that one or several actors abuse his/their position of trust to gain an undue advantage. World Bank (2011) refers to this as corrupt practice.

In the first subchapter, bribery and political corruption were consistently used to get public procurements. High-ranked officials within Russia and Qatar used these mechanisms in order to be allocated the 2018 and 2022 World Cup. Some Exco members and politicians were bribed and received monetary or non-monetary benefits. Political corruption was used to give some Exco member's national benefits and public procurements in exchange for their support. A Qatari investor bought the French team Paris Saint-Germant after an alleged request from Sarkozy whilst Thailand saved large sums on their gas deal with Qatar.

In the second subchapter, bribery and political corruption were used. Turkish and Italian football clubs engaged in corruptive behaviour in order to influence sportive results in their favour. The clubs bribed players not to score against them and in order to be selected the desired referees. Political corruption was also highly relevant. When Italian prosecutors turned to the national football authorities, Berlusconi tried to stop them. In Turkey, Erdogan was in a leaked voice recording revealed to have helped Fenerbahçe avoiding relegation.

The mechanisms in the last subchapter differ slightly from the first two, and mainly involve bribery and a coercive practice. This subchapter illustrates how criminal organizations bribed players and referees in order to secure the wanted result before betting on it.

CONSIDERING PROPOSITION 2

Considering the comparative findings, it suggests that bribery is the main tool and mechanism of corruption in football. Even though the forms of corruption vary, it is still valid to suggest that bribery is the main tool as it recurs in all the comparative findings.

6.2. MAIN DRIVERS

One question that arises with respect to corruption in football is whether monetary gains are the primary motivation and driver. These terms will be used interchangeable in this analysis.

Concerning the allocation of the 2018 and 2022 World Cup, several officials bound by the code of conduct from FIFA violated it. This included individuals who held a public or legal duty. Those Exco members who pledged their vote to either Russia and/or Qatar after receiving monetary payments clearly had a monetary motivation. They let monetary gains cloud their vision on which country they actually thought were the better choice for hosting the World Cup.

Several of the African Exco members were bribed with lavish junkets, gifts, private jets and other lucrative benefits. This was proven through emails between them and Mohammed Bin Hammam. In these emails, they thanked him for his hospitality they and their family received from him and the Qatari delegation. This shows that they were not offered direct monetary payments, but still received undue pecuniary gains that made them violate FIFA's code of conduct. This part can also conclude that monetary gain was the main motivation behind their actions.

Another motivation for corruption is that popular sports can be a way for actors to be acquainted with powerful and well-known people. This can enhance the possibility of an actor gaining higher profit in the present and/or in the future. This motivation can partly be linked with Chuck Blazer who allegedly changed his mind on who to vote for in the bid for the 2018 World Cup. In front of the bid, he received holiday snaps from Vladimir Putin. In addition to this, he was also mentioned in Putin's blog as his friend. This means that Blazer's motivation might have been that he would be acquainted with high profiled people around Putin and

Putin himself. This is consistent with what Brooks, Aleem & Button (2013) explains in their book. They say the “desire for financial reward is mixed with the need for recognition” (p. 51).

Putin also used his position in order for Russia to gain an undue advantage in front of the bid. His clear motivation behind his actions was to get Blazer and other Exco member’s support and vote for the bid. The World Cup is one of the largest sportive events in the world, where around 600 million people watched the final in the 2014 World Cup. This means that hosting the World Cup is a huge opportunity to promote its country. This is the main driver why the Russian and Qatari delegation received so much legal and illegal help from their respective governments.

Between 2001 and 2012, 37 clubs in Serie A had at least one experience of bankruptcy. This gives a clear indication of how bad the financial conditions were. Italian clubs were desperate to secure a place in top of the league in order to improve their financial conditions. There was a decline of match day revenues due to decreasing attendance, and an increase in number of star players leaving Serie A. In accordance to this, the debt in Italian clubs increased. In the theory chapter, it is shown how big payments to participants of Champions League were. This gives a valid and clear picture of why Juventus and other teams engaged in corruption to make sure they finished at the top of the league and qualified for next year’s Champions League.

Unlike Italy, Turkish football was not dealing with the same problems of decreasing attendance and an increase in costs and debt. Turkish football was more concerned with match-fixing and corruption. Turkish fans were known to chant: “The government might collapse, inflation can go down, but Fenerbahçe can never be relegated” (BBC, 2012).

The motivation for the Turkish top teams should be to work hard in order to get rid of the dark cloud covering Turkish football. However, evidence indicates that other drivers were clearly weighting more. Fewer Turkish than Italian teams qualifies directly for the Champions League. Considering the monetary gains for the Champions League participants, it is easy to assume that yearly participation was the main motivation behind Fenerbahçe’s corruptive behaviour.

Erdogan said to Erzik that he could not have managed to get UEFA off the hook in saving Fenerbahçe from relegation without his help. Without going into details in this thesis, Erdogan is known to have done certain things that have raised eyebrows in both Turkey and in the rest of the world. Therefore, it seems that Erzik's motivation for corruptive behaviour was to save his favourite team from relegation, but also to engage in contact with Erdogan. Erzik could through acquaintance with Erdogan increase his current and future income.

In the two match-fixing scandals from Ireland regarding Shelbourne Football club, monetary gains seems to be the motivating factor. Compared to other top leagues in Europe, salary to players in Ireland and other lower leagues are but a fraction. When the players at Shelbourne were attempted bribed, they had an opportunity to make extra money. This motivation is something that consistently recurs in most of the match-fixing cases in this thesis.

Concerning Scommessopoli and Bochum, the majority of fixed matches were in lower- and non-leagues. Their motivation behind accepting bribes can therefore be to increase their income at one or several occasions. By using the definition provided by Lambsdorff (2007), it is clear that this is a case of bribery. When the briber makes a payment to one or several players, the briber obtains an undue advantage that he is not entitled to have.

A second motivation for targeting those leagues, clubs and players is the amount of media coverage. In those leagues, the media coverage is not as immense as it is in the top leagues. This means that as long as match-fixing is discreetly carried out, it will be hard for prosecutors and other players to provide evidence (Chadwick & Gorse, 2011). This of course if they cannot prove that any monetary payments have been made.

Clan Contini helped the Italian football club, Callipoli, to win a game against Real Marcianise. The victory helped Callipoli securing their promotion from Serie C to Serie B. This was a situation where three different actors had monetary motivations. Receiving money from Callipoli in order to bribe the players from Real Marcianise motivated Clan Contini. Callipoli made their profit by securing their promotion to Serie B where the potential income will increase. The involved players from Real Marcianise all received €50,000 that gave them some extra money.

The last example concerning match-fixing is the Euro 2008 qualification game between Norway and Malta. In front of the game, Marijo Cvrtak placed a €70,000 bet that Norway would win with more than three goals. Ahead of this, he met with one of the Maltese players where they reputedly discussed with how many goals Malta should lose. There are not many Maltese players playing in European top leagues, meaning that their salary is mediocre. The player who was proven guilty for taking a bribe was Kevin Sammut. Sammut received a 10 years suspension because of his pursuit of monetary gains.

The monetary consequences are lower when match-fixing takes place in lower divisions. However, it still does not justify that matches are not played in an honest and equitable way. In addition, gamblers who are not engaging in corrupt practice will not be placing their bets on equal terms as the results are already given without their knowledge.

CONSIDERING PROPOSITION 3

Throughout these comparative findings, there is a strong indication that the greatest motivation behind corruptive behaviour is monetary gains. Even though the comparative findings show that there are other motives as well, these do not weigh in as strong as the monetary motivation.

6.3. MECHANISMS OF PREVENTION

FIFA has acknowledged that they have problems concerning corruption. They have approved new reforms in order to promote transparency, add strict guidelines and to modernise FIFA's institutional culture. Pope & Vogl (2000) says that one must recognize and confront the realities of the problems in order to overcome them and to make anti-corruption initiatives effective.

These new reforms seem to be a good initiative towards minimizing and preventing corruption in FIFA. An unanswered question is whether this will have the desired effect, or if the organisation still will be distinguished by corruptive behaviour. Institutions will evolve over time and can change due to many factors. These factors can be increased transparency and the ongoing globalization. These reforms are meant to contribute to increase transparency

and make a change in the institutional culture. The process of these changes in formal and informal constraints are very complex and the change of mentality takes time. North (1991) explains:

“Although formal rules may change overnight as a result of political or judicial decisions, informal constraints embodied in customs, traditions and codes of conduct are much more impervious to deliberate policies” (p. 9).

FIFA has also elected a new president as Sepp Blatter was banned from all sports due to corruption. Despite being the underdog, Gianni Infantino was elected. This is looked upon as a huge victory and a solid step towards increasing the credibility of FIFA. However, the fact that Sheik Salman, with his background and values, was the favourite should raise some red flags. Shalvi (2016) says that exposure to corrupt environment, corrupt the individual. There is little to suggest that there would be improvements in FIFA if Salman was elected.

The main problem in the football clubs seems to be the close relation between politicians and the clubs. This also applies in the relation between clubs and leading officials within federations and other governing bodies within football. Another huge problem relates to football associations trying to keep their clubs in the top of Europe. They do this at the expense of dealing with match-fixing. Clubs and federations need to be more transparent, as Jennings (2011) explains that transparency correlates with the propensity of corruption.

There is shockingly little information about how the money given to the football associations were spent (Transparency International, 2015). This contributes to why there is a need of an intervention in the culture of football. The focus needs to be directed towards the football associations who are responsive to bribery. It is important that FIFA has strict regulations against these bonds, and that football associations that do not comply will be punished. FIFA must also impose them and their clubs to be more transparent, and irregularities must result in serious consequences. These new reforms are a solid step in right direction of preventing corruption, but much work remains regards changing the mentality. The mentality and attitude of the football associations will not change instantly, even though the formal rules change overnight. As mentioned, institution and culture does not necessarily change as quickly as the formal rules.

The Ministry of Culture in Norway has acknowledged that match-fixing and illegal betting must be controlled. They have collaborated with several actors, such as Norsk Tipping and have implemented anti-corruption measures in order to prevent corruption and match-fixing. The purpose of this plan is to support the fundamental values of sport and maintain a safe and credible betting market. Business-Anti-Corruption Portal (2016) says that countries will be told to promote awareness and to display practices aimed at preventing corruption. This plan of action has these key elements on the agenda. They have a platform where they share information and collaborate with national federations. This is an important tool to identify whether players and officials are familiar with the regulation of sport and their knowledge of match-fixing in their environment.

This national plan of action is a great move towards preventing match-fixing. However, match-fixing is a much bigger problem internationally than a national problem in Norway. In order to fight the international corruption problem, there has to be a set of anti-corruption measures between countries (Business Anti-Corruption Portal, 2016). More countries should have the same point of view on the fight against match-fixing as Norway. They also need to develop similar international plans of action to fight it together. This would be a massive step towards reducing the occurrence of match-fixing. Nevertheless, this would practically be an impossible task. There are countless private owned betting companies where the same rules, such as limits on bets and profits, as in Norsk Tipping do not apply. Their main thought and job is to maximise their profit.

Transparency International (2016) says they will help countries meet anti-corruption requirements. In addition, they will check how the government is doing by highlighting improvements and gaps. By providing the same help to FIFA and football associations, there will be more transparency. This will also considerably increase the chance that new reforms from FIFA and others will be followed up.

CONSIDERING PROPOSITION 4

The evidence implies that lack of transparency and accountability is correlated with increased degree of corruption. Even though the transparency and accountability increases, the informal rules change slowly and over time. This means that football associations should get help in

order to check their progress and help them in their work of increasing their transparency. The evidence also implies that acknowledging the problems is the first step towards increasing transparency and overcoming the problems of corruption.

7. CONCLUSION AND POLICY IMPLICATIONS

7.1. CONCLUDING REMARKS

This thesis sought to explore the mechanisms, actors and drivers in order to understand why corruption in football occurs. By focusing on New Institutional Economics and transparency, this thesis used a comparative case study analysis in order to see if the findings could be generalized. The analysis contained six cases where corruption has been revealed or serious indications concerning corruption have been alleged. The thesis has proven that sportive events all over the world are infiltrated by corruption.

There are several mechanisms of corruption in football. Bribery, corruption in public procurements and political corruption are frequently used. Political interference is especially prominent and consistently recurs in cases of corruption. In this political interference, bribery is the main tool. Even though the six cases vary, it is valid to suggest that bribery is the main mechanism as it recurs in all the empirical findings.

The main actors are high-ranked officials within FIFA and football clubs, leaders in criminal organizations and politicians. These officials have a lot of power and influence, which they use to obtain an undue advantage. The approached actors are officials from environments where norms structure the situation and those who have much to gain and lose. Actors who are exposed to corrupt environment are more prone to adapt a corruptive behaviour.

Monetary gains and acquaintance with powerful and well-known people are two factors that recur as drivers. However, the empirical findings show that the greatest motivation behind corruptive behaviour is monetary gains.

The study suggests that corruption in football occurs because of high-ranked officials' and criminal organizations' pursuit for monetary gains. In this pursuit, bribery is the main mechanism.

7.2. POLICY IMPLICATIONS

Corruption in football has been a serious issue the last decades and is still a major problem. The evidence shows that corruption is correlated with lack of transparency and accountability. The propensity for an individual to adapt a corruptive behaviour is also correlated with exposure to a corrupt environment.

The first step of increasing transparency and accountability is to acknowledge the problem, and thereby developing reforms. FIFA's new reforms and president are supposed to promote these measures. However, as New Institutional Economics indicates that informal rules change slowly over time, results will not appear instantly.

Corruption in football has serious consequences. If the public loses its faith in football, it can create severe problems for a country. If they believe what they are seeing is fixed, the public might lose faith that institution and organizations in general can be trusted.

Money given to football associations is not accounted for with the current transparency. The money is supposed to build football stadiums, buy equipment and to fund coach and youth players' development. Instead, corrupt officials' abuses their entrusted power and use this money for private benefits such as mansions, pools and lavish lifestyle. This abuse is often structured by norms, which will take some time to adjust.

7.3. LIMITATIONS OF THE STUDY AND PROSPECTS FOR FURTHER RESEARCH

There have been many corruption scandals the last decades in addition to the presented cases. Marseille was relegated after a French match-fixing scandal in 1993, and wiretapping revealed how FC Porto influenced sportive results in Portugal. EURO 2012 in Ukraine and Poland was also investigated due to claims concerning corruption, but evidence could not prove this. In addition, countless matches are either proven or suspected of match-fixing. Due to lack of information and time, this thesis is limited to six cases.

Based on a qualitative study of six cases, generalizations are hard to make. The mechanisms and approach do not always correlate between different actors and cases. Statistical generalizations are hard to make because of the many variables and small number of samples, which can lead to misunderstandings. Therefore, one cannot make a statistical conclusion within corruption in football regarding the main mechanisms, the main actors and the main drivers based on only six cases. To get a better understanding of these variables, more cases have to be examined and further research has to be conducted.

Further studies can take several approaches. In February 2016, FIFA took measures to reduce and abolish corruption. A new president was elected, and new reforms were implemented to increase transparency and accountability. In addition, 36 members that forms a new FIFA council have replaced Exco. FIFA has been dominated by actors from countries with perceived high corruption, and has therefore undergone a restructuring of management. One of the newly hired leaders is the former general secretary in the Norwegian football association, Kjetil Siem. Because Norway is placed top five on Transparency International's perceived corruption index, this can help FIFA exert their code of conduct. Further research can therefore examine whether these changes in FIFA has had an effect in reducing corruption in football.

This study was limited to concentrate on the actor's origin countries. However, this is not sufficient to generalize whether an official is adaptive to corruption. Further research could examine the environment and adolescence of the involved actors to see if there are some recurring elements.

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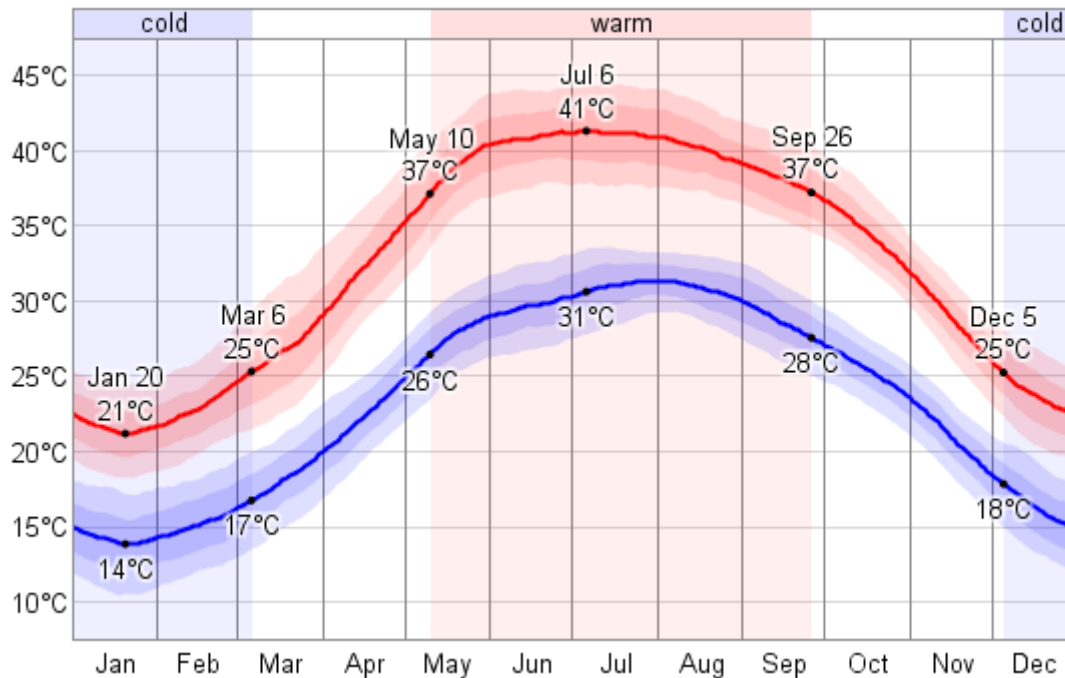
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Appendices

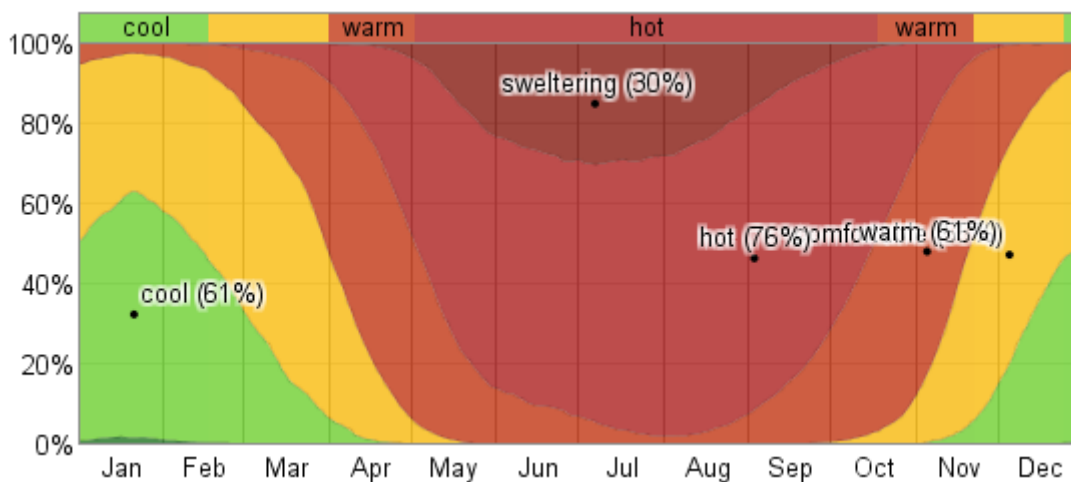
APPENDIX 1: Two pictures provided by WeatherSpark (2016) shows the average weather in Doha, Qatar.

Daily high and low temperature



The daily average low (blue) and high (red) temperature with percentile bands (inner band from 25th to 75th percentile, outer band from 10th to 90th percentile).

Fraction of time spent in various temperature bands



The average fraction of time spent in various temperature bands: frigid (below -9°C), freezing (-9°C to 0°C), cold (0°C to 10°C), cool (10°C to 18°C), comfortable (18°C to 24°C), warm (24°C to 29°C), hot (29°C to 38°C) and sweltering (above 38°C).

APPENDIX 2: These are two of the conversations that Luciana Moggi had with the head of the referee's association.

Moggi: Gigi, what fuck of a referee did you send us?

Pairetto: [Herbert] Fandel? He's number one, he's a top guy.

Moggi: Yes, whatever, but Miccoli's goal was valid.

Pairetto: No.

Moggi: It's valid, it's valid.

Pairetto: No, it was right in front [of the ref].

Moggi: What are you talking about ... it wasn't in front ... the entire game was an absolute disaster.

Pairetto: But you know he [i.e. Fandel] is one of the best guys.

Moggi: Well, I tell you, he can really fuck off. I have to make the return match in Stockholm secure no?

Pairetto: For fuck's sake ... mamma mia ... this [one] really has to be a proper game.

Moggi: No, we are going to win ... but with another [referee] like [Fandel] it's going to be a bit difficult no? You follow me?

Moggi then gives orders for the upcoming Juventus v Messina friendly, naming various referees and linesmen.

Moggi: For Messina, send me Consolo and Battaglia ... with Cassara eh? [None of these officials is suspected of any offence.]

Pairetto: Done already.

Moggi: And who did you send?

Pairetto: I think it's Consola and Battaglia. I've even sorted the friendly in Livorno. It's all fine.

Moggi: In Livorno, Rocchi [a referee who is eventually investigated but cleared] eh?

Pairetto: Yes, its Rocchi in Livorno.

Moggi: And [against Milan] ... it has to be Pieri.

Pairetto: We haven't done that yet.

Moggi: OK, we'll see to that later.

One week later, the following conversation were recorded:

Moggi: Hello.

Pairetto: Hey, have you forgotten me? I always remember you!

Moggi: Oh come on

Pairetto: Hey, I've put in a great referee for the Amsterdam game.

Moggi: Who's that then?

Pairetto: It's Meier [Urs Meier, a Swiss referee].

Moggi: Well done!

Pairetto: I only called you to tell you that. See I remember you, even if you these days ...

Moggi: Oh, don't break my balls. You'll see that when I'm back you'll realise that I haven't forgotten you.

APPENDIX 3: This table by Buraimo, Migali & Simmons (2014) shows the original and final punishment that the Italian teams received after the trials.

Team	Original Punishment	Final Punishment
AC Milan	Relegated to Serie B Deduction of 15 points in 2006/2007	No relegation Deducted 8 points in 2006/2007 Ex post deduction of 30 points in 2005/2006 One home game to be played behind closed doors
Fiorentina	Relegated to Serie B Deduction of 12 points in 2006/2007	No relegation Deducted 15 points in 2006/2007 Excluded from UEFA Champions League 2006/2007 Two home games to be played behind closed doors
Juventus	Removal of 2004/2005 and 2005/2006 Serie A titles Relegated to Serie C1 Deduction of 30 points in 2006/2007	Removal of 2004/2005 and 2005/2006 Serie A titles Relegated to Serie B Deducted 9 points in 2006/2007 Excluded from UEFA Champions League 2006/2007 Three games to be played behind closed doors
Lazio	Relegated to Serie B Deduction of 7 points in 2006/2007 Excluded from UEFA Cup 2006/2007	No relegation Deducted 3 points in 2006/2007 Two games to be played behind closed doors
Reggina	No relegation Deduction of 15 points in 2006/2007	No relegation Deducted 11 points in 2006/2007 €68.000 fine

APPENIX 4: This table shows a comparison between Calciopoli and Scommessopoli.

Match-fixing scandals		
Characteristics	Calciopoli	Scommessopoli
Motivation for fixing a game	Modifying sportive results	Illegal bettings
Agents acting as corrupter	Team managers	Criminal organizations
Corruption target	Referee	Soccer players
Timing	Middle of championship	At the end of the championship
Type of games rigged	Games relevant for the championship	Relatively minor games and Coppa Italia matches

(Boeri & Severgnini, 2014, p. 106).

REFLECTION NOTE

Ole Stranden

The thesis sought to explore the mechanisms, actors and drivers in order to understand why corruption in football occurs. By focusing on New Institutional Economics and transparency, the thesis used a comparative case study analysis in order to see if the findings could be generalized. The analysis contained six cases where corruption has been revealed or serious indications concerning corruption have been alleged.

There are several mechanisms of corruption in football. Bribery, procurement corruption and political corruption are frequently used. Political interference is especially prominent and goes consistently through cases of corruption. The empirical findings suggest that bribery is the main mechanism as it recurs in all cases.

The main actors are high-ranked officials within FIFA and football clubs, leaders in criminal organizations and politicians. These officials have a lot of power and influence, which they use to obtain an undue advantage. Actors exposed to a corrupt environment are more prone to adapt a corruptive behaviour.

Two factors excel as drivers behind corruptive behaviour. Monetary gains and that popular sport can be a way for actors to be acquainted with powerful and well-known people. The empirical findings showed that monetary gains are the greatest motivation behind corruptive behaviour.

Choosing corruption in football as a topic relates to several international trends. Corruption is a worldwide problem, and it is estimated that around \$163 billion are lost to corruption annually. Even though there has not been an increase of corruption the last decade, the increased public awareness and laws have put pressure against increased transparency in order to prevent it. The increased public awareness has also exploited huge scandals, such as the ongoing charges against the president in Brazil, and the ban of FIFA president Sepp Blatter and UEFA president Michel Platini. These cases are also interesting because of the fact that the world's biggest sportive event, the FIFA World Cup, was hosted by mentioned Brazil.

Innovation is a step towards decreasing corruption in football. In February 2016, new reforms were implemented in FIFA in addition to the election of a new president. I truly believe that these changes in FIFA will enhance transparency and that the corruption problems in time will be reduced. However, I believe that life ban is the only correct punishment when corruption in football has been proven. The current laws do not say this, but in order to fully abolish corruption I think FIFA needs to be innovative by giving such severe punishment.

Increasing transparency is perhaps the most relevant thing enhancing. Throughout my studies at the University of Agder, transparency has been an ongoing subject in teaching us about responsibility. We started of the studies with an ethics class during the first semester, where this was highlighted. During several of the courses related to accountancy, my fellow students and I learned about new laws that enhances transparency. I have also learned which signs to look for when going through financial statements and balance sheet. As it is written in the thesis, acknowledging the problem of corruption is the first step towards its abolishment. In order to reach this goal, laws to prohibit it and increasing the transparency is vital steps.

Youth is the future. I therefore strongly believe that teaching students about these things are vital to decrease corruption in general. During my career, I will at one or several occasions be put in an ethical dilemma. It is therefore important to remember that I have a responsibility to take the correct ethical action, even though this mean that my firm and/or I lose a potential profit or contract.

Espen Fjeldsgård

The main theme in our thesis has been corruption in football. We have tried to reveal who the main actors are, what the main mechanisms and drivers are, and what can be done to prevent corruption in football. High-ranked officials and criminal organizations are the main actors where the main motivation behind this is monetary gains. They will also try to increase their power and influence. These actors use bribery as their main mechanism in their effort to obtain this.

Football is the biggest global sport and is a multi-billion dollar business. This means that actors can generate huge amounts of money by engage in corruption. It is estimated that around \$163 billion are lost to corruption annually.

We have investigated corruption, which is a major international problem and not just a domestic problem. Our thesis deals with the factors that have an impact on corruption in football and how corruption can be prevented. The degree of corruption in an organization seems to correlate with actors who come from environments where corruption structures the norms. An organization where there is a predominance of actors with a history of corruption, are more exposed to corruption. Our findings shows that exposure to a corrupt environment corrupts the individual, hence can make an organization more prone to corruption. The consequences of corruption in football are many and can be catastrophic. The allocation of the FIFA World Cup to Qatar is under suspicion for corruption, and this thesis have investigated how this corruption has taken place. This corruption has led to human rights violation in the building of infrastructure such as stadiums. Several people have died during this process and it is said that the workers are treated as slaves (Bergquist, 2013).

Considering the huge international problem corruption represent and the enormous consequences of this, an innovation of prevention measures have to be developed. As stated in the thesis, the lack of transparency and accountability strongly correlates with corruption. In most of the football association, there is very little transparency and accountability. It is shown that over 80% of international football associations do not have any financial records publicly available, and do not publish any activity that accounts for what they do. These facts

should provide fertile ground for implementing measures and reforms in order to promote transparency and accountability.

It is shown in the thesis that FIFA has approved some new reforms in order to increase the transparency and accountability in their organization and in football governance. The Norwegian Ministry of Culture has collaborated with several institutions in Norway. They have developed a plan of action against match-fixing, which we have defined as corruption. This plan is supposed to create more transparency and knowledge about the problems regarding corruption in football.

The theme responsibility correlates with the consequences of corruption that are previously described in this note. If football should be played in an honest and fair way, as FIFA says football is supposed to do, then FIFA has to take measures to prevent and abolish corruption. FIFA has to take their corporal social responsibility as the consequences of their reticence is so debilitating. If they took the responsibility they are supposed to take, the working conditions as they are in connection with the World Cup in Qatar, could be avoided. These new approved reforms seem to be a great step towards being more aware of their responsibilities.

I think it is very important to teach students about corruption and the consequences of this. If one is made aware of the problem, and not only looks the other way, it is easier to actually do something about it. The youth needs to be taught how each and everyone have a responsibility to increase transparency and try to prevent corruption and violations of ethical rules.